



Little Calumet River Basin Development Commission

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Portage, Indiana 46368

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WILLIAM BILLER, Chairman
Governor's Appointment

ROBERT HUFFMAN, Vice Chairman
Governor's Appointment

ARLENE COLVIN, Treasurer
Mayor of Gary's
Appointment

DR. MARK RESHKIN, Secretary
Governor's Appointment

GEORGE CARLSON
Mayor's of Hammond
Appointment

STEVE DAVIS
Dept. of Natural Resources
Appointment

R. KENT GURLEY
Lake County Commissioners'
Appointment

ROBERT MARSALEK
Governor's Appointment

JOHN MROCZKOWSKI
Governor's Appointment

CHARLIE RAY
Porter County Commissioners'
Appointment

VACANCY
Governor's Appointment

DAN GARDNER
Executive Director

LOU CASALE
Attorney

MEETING NOTICE

THERE WILL BE A MEETING OF THE
LITTLE CALUMET RIVER BASIN
DEVELOPMENT COMMISSION
AT 6:00 P.M. WEDNESDAY, APRIL 5, 2006
AT THE COMMISSION OFFICE
6100 SOUTHPORT ROAD
PORTAGE, IN

ONE-HALF HOUR WORK STUDY SESSION – 5:30 P.M.

AGENDA

1. Call to order by Chairman Bill Biller
2. Pledge of Allegiance
3. Recognition of Visitors and Guests
4. Approval of Minutes of March 1, 2006
5. Chairman's Report
 - Meeting on March 31 with IDNR Director
6. Action Required:
 - Finance: Approval of claims for March 2006
Approval of O&M claims for March 2006
 - Land Acquisition: Approval of increased offer on DC-1120 to \$4,370
Approval on 1 condemnation – DC-1101
7. Executive Director's Report
 - Burr Street – Gary funding agreement approval/
construction schedule
 - Burr Street – LCRBDC status
> NSRR agreement
 - Meeting with city of Hammond/State officials regarding
Cabela's status

Send to
Rld +
SD

Current lease
sheet to all
Comm in
May -
1-X
WB wants L-F &
next agenda -

1.4 mil
\$ 420,000 - funding gap
\$ 1,820,000 TOTAL

Bill Biller -
dates for mty
w/ Dan Repay

get comments from
Commission for
next mo. -
what does the
COE do?
May
11 grade

- Public information/Communications regarding construction; citizens concern

8. Standing Committees

A. Finance Committee – Report by Treasurer Arlene Colvin

- Financial status report
- Issues for discussion

B. Land Acquisition/Land Management Committee – Committee Chair Bob Marszalek

Land Acquisition

- Appraisals, offers, acquisitions
- Status of activity for Stage V-2 and VII

Land Management

- Working with Chicago Tower to approve additional space for Verizon Wireless – this will increase the lease amount of the current License Agreement

C. Project Engineering Committee – Committee Chair Bob Huffman

- Report on March 28 inspection of levee by Lawson-Fisher
- Cabela's has agreed to the COE's re-design of the levee alignment on their south line of protection

D. Operation & Maintenance – Committee Chair Bob Huffman

- Update on Stage III Remediation pump station agreement
- Status of bidding out the 4 Gary pump stations (See O&M Committee Report for detailed summarization of pump station remediation)
- North 5th Street pump station turnover to Highland
- Request sent to COE asking that the Landscaping contract be modified to leave "turf-type" grass instead of proposed native grass

E. Environmental Committee – Committee Chair Mark Reshkin

F. Legislative Committee – Committee Chair George Carlson

- Meeting with Clarence Ehlers on March 14 regarding Governor's Commission Review
- Non-Federal funding status

G. Recreational Development Committee – Committee Chair Bob Huffman

H. Marina Development Committee – Committee Chair Charlie Ray

I. Policy Committee – Committee Chair Bob Marszalek

9. Other Issues / New Business

10. Statements to the Board from the Floor

11. Set date for next meeting; adjournment

permit app.
to Rev. Dan. Chelie

6-9

10

MINUTES OF THE LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION
HELD AT 6:00 P.M. WEDNESDAY, MARCH 1, 2006
6100 SOUTHPORT ROAD
PORTAGE, INDIANA

Chairman William Biller called the meeting to order at 6:05 p.m. Eight (8) Commissioners were present. Pledge of Allegiance was recited. The guests were recognized.

Development Commissioners:

George Carlson
Charlie Ray
Robert Huffman
William Biller
Steve Davis
Mark Reshkin
Robert Marszalek
John Mroczkowski

Visitors:

Steve Enger - Munster
Imad Samara - Army Corps
Chris Buono - Munster
Tim Zorn - Post Tribune
Sandy O'Brien - Hobart

Staff:

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

A motion to approve the February 1, 2006 minutes was made by Bob Marszalek; motion was seconded by George Carlson; motion passed unanimously.

Chairman's Report - Chairman William Biller gave an update on HB1095 as proposed by Representative Chet Dobis. This bill would reduce the Commission membership from 11 members to 5 members, all being Governor appointments; one each of the members must be from IDNR Division of Water; one from IDNR Department of Fish & Wildlife; one must be a resident from Gary; one must be a resident of Hammond; and must be a resident of Highland or Griffith. Each member must also hold a degree in engineering with 10 years experience or be licensed in Indiana as a real estate appraiser and have 10 years experience. It appears that the bill never got out of the House or out of committee. It should have gone to the Senate side for approval. That did not happen. There is a possibility that it could be attached onto another bill but not likely. Regardless, Chairman Biller stated to the Board members that the proposed bill does not change anything; we are still moving ahead as quickly as we can to meet the Congressman's deadline of project completion by December 2009.

Executive Director's Report - Mr. Gardner referred to a "Burr Street Gary Levee Contract Background & Recommendation" sheet. He explained the history and how Gary and the LCRBDC has worked together to come to an amount of money each entity can contribute to the contract price. We cannot contribute more than the 25% cost share of the project amount. Based on the award bid that was received and approved by the city of Gary, the 25% cost share would be \$623,061. Mr. Gardner asked that authorization be given to enter into a contract with the city for this amount of money. This contract must get under signature, and, although the amount was higher than what we anticipated, it is a top priority to be able to go any further in the west reach. Both sides of Burr Street must be under contract. There is a \$400,000 funding gap that the city will have to fund. Staff is meeting with the city one more time to discuss the contract. Mr. Gardner stated that any water quality MS4 will be deleted from the contract price because it is not essential for flood control. After discussion, Bob Marszalek made a motion for the Commission to fund up to \$623,061 less any deduct change orders; motion seconded by Mark Reshkin; motion passed unanimously.

- Mr. Gardner went on to emphasize the need for the Burr Street Little Cal portion of the levee to be under contract. We have had a problem working out a satisfactory agreement with the railroad. We are hoping that we have finally come to a resolution with them and will be receiving signed easements very soon. We are still hopeful in having a June award date for a contract.
- Mr. Gardner then reported that we are moving ahead on Stage V-2 (Kennedy westward to Northcote) on south side to Hart Ditch. Almost all the offers are out. Cabela's is still an issue. We have met with them on February 8 and have asked for the easements to be donated to us. Cabela's is also working with INDOT for a road entrance design.
- Mr. Gardner stated that another critical item is Wicker Park on North Township property. There may be some minor changes in real estate for Wicker Park if Cabela's design changes. If they accept the design change, that would eliminate the needed easements from Tri-State, which would be a substantial savings.
- Mr. Gardner stated that we have to acquire easements on some parcels in the Inter-State Plaza area. We are waiting on the sale of several properties that are in the hands of a bank due to bankruptcy. Once it is determined exactly who we have to contact, we will follow up with our easement request. The plan calls for some levee construction in that area but until we know for sure what Cabela's is doing, we cannot proceed. We will also need easements from the NSRR in this stage.
- Mr. Gardner stated that we appeared before the Highland Town Council on February 27 at their Board meeting. Chairman Bill Biller and Bob Huffman also attended. We gave an update on the schedule; talked about the timetable for FEMA removal from the flood plain; O&M discussion; and answered questions from residents who were concerned about ongoing construction. Residents complained about debris being left, dust, old concrete being left, etc. and unsightly areas that also presents a danger. The COE also attended the meeting so the construction field rep was able to directly talk to the residents, who did have a legitimate concern. It was pointed out to the residents that they should call the COE rep and not the town. His name and number were given. We also informed them that if any damage was done to their property, there would be compensation. Discussion ensued on what we could do better in addressing residents' concerns. Staff will develop a plan of action whereby it would state what the COE is responsible for, what the Commission presently does, and what both the COE and the Commission could do better.

Finance Committee – In Treasurer Arlene Colvin's absence, Mr. Gardner gave the financial report. He presented the financial status sheet and claims for approval in the amount of \$77,474.13. Mr. Huffman made a motion to approve the claims for February; motion seconded by Charlie Ray; motion passed unanimously.

- Mr. Gardner then presented the revised sheet listing O&M claims for approval in the amount of \$25,185.66. Mr. Huffman made a motion for approval; motion seconded by Steve Davis; motion passed unanimously.

Policy Committee – Committee Chairman Bob Marszalek informed the Board members that the Policy Committee met on February 13. The purpose of the meeting was to discuss and recommend ways to maximize usefulness of materials received and time spent in meetings to reduce redundancy and provide critical information and enable the best decisions to be made by the Board. After discussion, the committee has recommended five points to be adopted. These recommendations do not change the bylaws; they merely change the policy. Chairman Bob Marszalek made a motion to adopt the five recommendations. They are (1) continue to have a public work study session prior to the public Commission meeting but limit it to one-half hour and consider only those items of action or major policy to be discussed at the public meeting; (2) re-organize the Commission meeting agenda to move action items early in the meeting and committees that had no reports did not need to be listed; (3) the one-half hour work study session material would be sent along with the Commission agenda packet approximately one week before the meeting and additional committee progress reports would be updated monthly but not mailed in the packet; (4) presentation of the action items and any progress reports would be made by the appropriate staff as directed by the committee chairman and the reports should be concise and provide necessary information only; and (5) agendas should be structured to include, to the extent possible, only action items and policy issues imparting the project's pursuance. Motion was seconded by Mark Reshkin; motion passed unanimously.

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

- Mrs. Vamos asked for approval for condemnation for seven properties, only if needed. These are properties in Stage V and are offers that have expired. We are currently negotiating with the owners. If we cannot reach agreement with them, we would like approval now so we do not have to wait another month to obtain approval. We are following the time schedule. Condemnation would only be used if absolutely necessary; we are still hopeful to settle on some of these properties. Bob Marzsalek proceeded to make a motion to approve condemnation if necessary on DC-1101, DC-1103, DC-1107, DC-1120, DC-1130, DC-1172, and DC-1174. Motion was seconded by Bob Huffman; motion passed unanimously. Mr. Gardner added that these are easements only and that there is no loss of utility to the properties. Mrs. Vamos stated that there are 37 acquisitions; we are negotiating with 24; we have accepted offers on 13 properties;
- Ms. Vamos reported that there are 54 acquisitions in Stage VII (Northcote to Columbia). This stage is in two sections: Hammond (north of the river) is presently under appraisal. Munster (south of the river) – appraiser is now completing a gross appraisal to obtain approximate total land values for budgeting purposes and discussions with town of Munster officials.

Project Engineering Committee – Committee Chairman Bob Huffman stated that the Burr Street II Gary portion and Cabela's in Stage V-2 has already been discussed.

- Mr. Huffman reported that a meeting was held with North Township on February 2 to make a presentation to their Board. Some of their concerns were sent to the COE for answers. We are still awaiting for the COE to address.
- A meeting was held with FEMA, Lawson-Fisher, COE, the LCRBDC, and IDNR (on conference) on February 9 to discuss what will be required for Lawson-Fisher to certify the Griffith levee. Mr. Pokrajac added that Lawson-Fisher has received the information they needed from FEMA so they can proceed with Phase 1 to address certification of the levee.

Operation & Maintenance Committee – Committee Chairman Bob Huffman reported that we have about five items left that need to be addressed on the four Gary pump stations. Austgen Electric has made some repairs while the pumps were pulled out. There will be minimal work remaining, if any. We have saved a lot of money by authorizing Austgen to proceed with repairs.

- We have had legal descriptions and drawings prepared for the Stage III Remediation pump stations to address giving Gary the rights to the land that the pump stations sit on. We are pursuing an agreement with them.
- We are in the process of turning over the North 5th Street pump station to the town of Highland for O&M. They have received all the manuals; we are awaiting "as built" drawings. A final inspection was held and it was determined that there are three items remaining for completion. They are (1) receiving "as-built" drawings, (2) demobilization of Overstreet, and (3) miscellaneous electrical spare parts. Staff is pursuing.

Environmental Committee – Committee Chairman Mark Reshkin reported that staff has submitted information to Lee Botts, who is doing an inventory of natural areas that are being restored. Over 500 acres are included. It would include our in-project lands used for mitigation, and Hobart Marsh lands.

Legislative Committee – Committee Chairman George Carlson referred to the letter addressing the Commission's financial position that was personally addressed and mailed to area legislators and others. The letter states the Commission's need for \$12.9 million. The more easement donations the Commission can secure, the less monies will be needed to finish the project. Mr. Carlson commended Mr. Gardner on a very well written letter.

- Steve Davis asked about our 25% project contribution. If the approved crediting is less than 25% of the total project cost, does that mean the Commission will have to contribute a higher cash contribution amount. Mr. Gardner replied that is the case; to date we are not at 25%. We are working toward it and we are hopeful that, in the end, we will reach the 25%.

Marina Committee – Attorney Casale informed the members that the transfer of the marina property is complete. The deed has been signed and submitted to the city of Portage. The city will have to refinance for the remaining monies due on the bond. Mr. Gardner added that there are several other items that have to be addressed with the city; i.e. handrails (on the breakwaters) being removed in the fall and then put back in place in the spring, and the NIPSCO lease agreement.

Recreation Committee – Committee Chairman Bob Huffman stated that a meeting with the COE will be scheduled shortly.

Other Issues/New Business – Jim Pokrajac presented the SEH proposal for virtual reality imaging. At the last meeting, there was discussion on possibly securing a firm who could develop some pictures or video showing how the existing property would look with a levee/floodwall in place. They can digitally enhance to show exactly what the change would look like. It would be a good working tool to show residents how their property would look. This is especially a concern through Munster, where back yards will abut the new levee. Overall, Board members thought the cost per image was high. They asked staff to pursue other avenues; i.e. does the COE have a department that could do this; could NIRPC graphics department do this; can we buy a computer package. Staff will pursue.

- Chairman Biller stated that he is trying to contact Dan Repay, Hammond Council President, so we can set a meeting with him to update him on the project status and offer to meet with local citizenry.
- Mr. Gardner added that he has been in contact with the town of Munster. We have started some appraisals in Munster; we are hoping the town can help us with some monetary donations, especially when we need the 5% cash escrow payment to the COE or acquisition in Stage VII.
- Commissioner Bob Marszalek reminded everyone of the new protocol starting with the April meeting.

Statements from the Floor - There were none.

There being no further business, the next meeting was scheduled for 6:00 p.m. Wednesday, April 5, 2006

Flood insurance savings could begin by late 2008

Policies won't be needed after Highland levee work

BY CHARLES F. HABER
Times Correspondent

HIGHLAND | The Highland leg of the levee work along the Little Calumet River should be completed by October 2008, project spokesmen predict. That means residents should be able to drop costly flood insurance coverage.

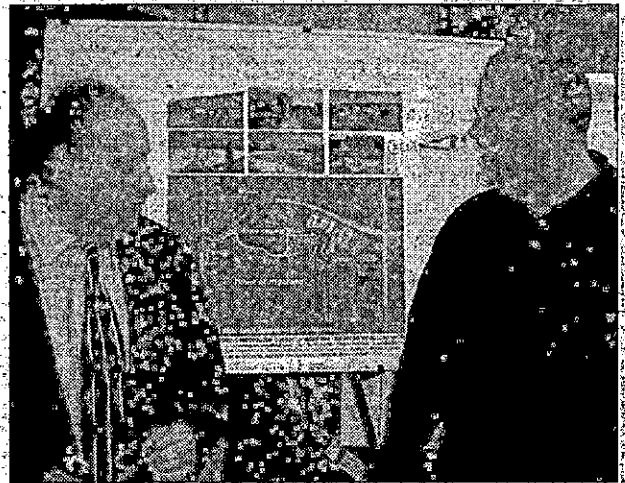
Dan Gardner, executive director of the Little Calumet River Basin Development Commission, met with Highland residents at a recent study session to field their questions about the project.

Gardner said the commission hopes to have the last construction in Highland done by October two years from now. As that work nears completion, paperwork will be prepared for filing with the Federal Emergency Management Agency to revise the maps, he said.

When 80 percent of the construction is complete and the project is 100 percent funded, the FEMA paperwork will be eligible to begin, commission member Imad Smara said.

"To get Highland out of the flood plain, we need to get to Hart Ditch" along the town's western border, Gardner said.

See LEVEE, B9



Controlling the Dike

by Ron Johnson
CalPress Correspondent

HIGHLAND | Dan Gardner, Executive Director of the Little Calumet River Basin Commission (left) and Imad Smara (right), Project Manager for the U.S. Army Corps of Engineers, explain flood control dike plans for the river in Highland.

Many residents on 81st Street and elsewhere complained of the dust, dirt and debris from contractors working on the project, which is due for completion up to the Illinois state line by the end of 2009.

Levee

Continued from B1

Along the way, there are 34 properties the commission is trying to buy or get donations from, he said.

The levee project began years ago at Interstate 65 and is working its way through Gary, Griffith, Munster and Hammond and west to the Illinois state line.

The work through Highland will be done in several stages, with a stretch from Liable Road to Kennedy Avenue to be completed by Dec. 4, Gardner said. Early next year, the stretch from Cline Avenue to Liable will be done.

Town Council President Joseph Wszolek, R-4th, said the next phases will be from Kennedy to the Norfolk and Southern Railroad tracks and from Indianapolis Boulevard to Hart Ditch. These last portions will begin in 2007 with planned completion by October 2008, he said.

"Once it's done, it will have to be maintained and operated locally," Gardner said.

The pump stations must be maintained and the grass usually is mowed twice a year, he said. Gardner also suggested that a local sponsor could help pay for the work.

As the project continues, several residents on 81st Street and on Duluth complained about one of the contractors working on the levee, including the condition of the roads from truck traffic. Gardner and Smara said they would look into the issue and inform the residents of possible solutions.

Wszolek also said that new calculations from Gardner show the affected properties in Highland are not 2,500. The number in the flood zone is about 1,500, he said.

"Even at 1,500, it is a very significant number of properties," Wszolek said.

LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION
FINANCIAL STATEMENT
JANUARY 1, 2006 - FEBRUARY 28, 2006

CASH POSITION - JANUARY 1, 2006

CHECKING ACCOUNT	
LAND ACQUISITION	149,768.81
GENERAL FUND	17,675.85
TAX FUND	0.00
INVESTMENTS	
SAVINGS	619,699.72
ESCROW ACCOUNT INTEREST	11,279.31
	<hr/>
	798,423.69

RECEIPTS - JANUARY 1, 2006 - FEBRUARY 28, 2006

LEASE RENTS	6,203.16
LEL MONIES (SAVINGS)	
INTEREST INCOME(FROM CHECKING & FIRST NATL)	186.52
LAND ACQUISITION	53,468.90
ESCROW ACCOUNT INTEREST	999.38
MISC. RECEIPTS	10,000.00
KRBC REIMBURSEMENT RE: TELEPHONE CHARGE	477.10
TRANSFERRED FROM SAVINGS	112,603.40
PROCEEDS FROM VOIDED CHECKS	
TOTAL RECEIPTS	183,938.46

DISBURSEMENTS - JANUARY 1, 2006 - FEBRUARY 28, 2006

ADMINISTRATIVE	
2004 EXPENSES PAID IN 2005	102,470.90
PER DIEM	2,850.00
LEGAL SERVICES	566.66
NIRPC	22,618.50
TRAVEL & MILEAGE	476.80
PRINTING & ADVERTISING	
BONDS & INSURANCE	77.00
TELEPHONE EXPENSE	1,039.99
MEETING EXPENSE	215.26
LAND ACQUISITION	
LEGAL SERVICES	11,658.98
APPRAISAL SERVICES	39,500.00
ENGINEERING SERVICES	23,925.99
LAND PURCHASE CONTRACTUAL	16,499.00
FACILITIES/PROJECT MAINTENANCE SERVICES	
OPERATIONS SERVICES	
LAND MANGEMENT SERVICES	34,694.08
SURVEYING SERVICES	
MISCELLANEOUS EXPENSES	
ECONOMIC/MARKETING SOURCES	
PROPERTY & STRUCTURE COSTS	25,773.94
MOVING ALLOCATION	
TAXES	
PROPERTY & STRUCTURES INSURANCE	
UTILITY RELOCATION SERVICES	1,978.00
LAND CAPITAL IMPROVEMENT	
STRUCTURAL CAPITAL IMPROVEMENTS	
BANK CHARGES MERCANTILE	11.20
PASS THROUGH FOR SAVINGS	7,741.50
PAYBACK TO SAVINGS	
TOTAL DISBURSEMENTS	189,626.90

CASH POSITION - FEBRUARY 28, 2006

CHECKING ACCOUNT	
LAND ACQUISITION	136,772.87
GENERAL FUND	23,983.97
TAX FUND	0.00
TOTAL FUNDS IN CHECKING ACCOUNT	160,756.84

BANK ONE SAVINGS ACCOUNT BALANCE	520,901.87
(LAND ACQ IN HOUSE PROJECT FUNDS)	337,978.70
(O & M MONIES)	**178,256.27

*Note: Original \$700,000 note

**Note: O & M Fund comprised of remaining LEL Money, \$185,000 Interest Money, and \$133,721.49 Marina Sand Money

SAVINGS INTEREST	4,666.90	
TOTAL SAVINGS		520,901.87
ESCROW ACCOUNT INTEREST AVAILABLE		1,483.99
		<hr/>
TOTAL OF ALL ACCOUNTS		683,142.70

LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION

MONTHLY BUDGET REPORT, MARCH 2006

	2006							ALLOCATED	UNALLOCATED
	BUDGET	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	TOTAL	BUDGETED
									BALANCE
5801 PER DIEM EXPENSES	10,000.00	0.00	0.00	0.00				0.00	10,000.00
5811 LEGAL EXPENSES	8,500.00	283.33	283.33	283.33				849.99	7,650.01
5812 NIRPC SERVICES	130,000.00	11,315.41	11,937.77	12,034.56				35,287.74	94,712.26
5821 TRAVEL/MILEAGE	10,000.00	14.40	32.60	20.80				67.80	9,932.20
5822 PRINTING/ADVERTISING	2,500.00	0.00	0.00	0.00				0.00	2,500.00
5823 BONDS/INSURANCE	8,000.00	77.00	0.00	0.00				77.00	7,923.00
5824 TELEPHONE EXPENSES	5,000.00	418.14	452.56	1,104.19				1,974.89	3,025.11
5825 MEETING EXPENSES	6,000.00	36.00	0.00	104.95				140.95	5,859.05
5840 PROFESSIONAL SERVICES	600,000.00	66,612.24	49,432.37	54,487.56				170,532.17	429,467.83
5860 PROJECT LAND PURCHASE EXP.	836,498.00	20,123.94	15,335.50	24,622.28				60,081.72	776,416.28
5882 UTILITY RELOCATION EXP.	100,000.00	1,708.00	0.00	138.04				1,846.04	98,153.96
5883 PROJECT LAND CAP. IMPROV.	2,500.00	0.00	0.00	0.00				0.00	2,500.00
5884 STRUCTURES CAP. IMPROV.	2,500.00	0.00	0.00	0.00				0.00	2,500.00
5892 PROJECT COSTSHARE/ESC ACCT	866,635.00	0.00	0.00	0.00				0.00	866,635.00
	2,588,133.00	100,588.46	77,474.13	92,795.71	0.00	0.00	0.00	270,858.30	2,317,274.70

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	2006							ALLOCATED	UNALLOCATED
	BUDGET	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL	BUDGETED
									BALANCE
5801 PER DIEM EXPENSES	10,000.00							0.00	10,000.00
5811 LEGAL EXPENSES	8,500.00							849.99	7,650.01
5812 NIRPC SERVICES	130,000.00							35,287.74	94,712.26
5821 TRAVEL/MILEAGE	10,000.00							67.80	9,932.20
5822 PRINTING/ADVERTISING	2,500.00							0.00	2,500.00
5823 BONDS/INSURANCE	8,000.00							77.00	7,923.00
5824 TELEPHONE EXPENSES	5,000.00							1,974.89	3,025.11
5825 MEETING EXPENSES	6,000.00							140.95	5,859.05
5840 PROFESSIONAL SERVICES	600,000.00							170,532.17	429,467.83
5860 PROJECT LAND PURCHASE EXP.	836,498.00							60,081.72	776,416.28
5882 UTILITY RELOCATION EXP.	100,000.00							1,846.04	98,153.96
5883 PROJECT LAND CAP. IMPROV.	2,500.00							0.00	2,500.00
5884 STRUCTURES CAP. IMPROV.	2,500.00							0.00	2,500.00
5892 PROJECTCOSTSHARE/ESC ACCT	866,635.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	866,635.00
	2,588,133.00	0.00	0.00	0.00	0.00	0.00	0.00	270,858.30	2,317,274.70

CLAIMS PAYABLE FOR MARCH 2006

ACCT	VENDOR NAME	AMOUNT	EXPLANATION OF CLAIM
5811	CASALE ,WOODWARD & BULS LLP	283.33	MONTHLY RETAINER THROUGH FEB 23,2006
5812	NIRPC	11,985.25	SERVICES PERFORMED FEBRUARY 2006
5812	UPS	16.65	OVERNIGHT MAIL
5812	FED EX	32.66	OVERNIGHT MAIL
5821	SANDY MORDUS	20.80	MILEAGE FOR FEBRUARY 2006
5824	AT & T	421.11	BILLING PERIOD 1/14/05-2/13/06(TOTAL BILL 439.3 KRBC 18.19)
5824	AT & T TELECONFERENCE SERVICE	107.14	CONFERENCE CALL
5824	AT & T	324.17	BILLING PERIOD 2/14/06-3/13/06 (TOTAL BILL 335.34 KRBC 11.17)
5824	VERIZON NORTH	128.20	BILLING PERIOD 2/16/06-3/16/06(TOTAL BILL 240.34KRBC 112.14)
5824	VERIZON NORTH	123.57	BILLING PERIOD 3/16/06-4/16/06(TOTAL BILL 235.71KRBC 112.14)
5825	JIMMY JOHNS	62.00	MEETING EXPENSE FOR REAL ESTATE MTG 2/23/06
5825	BANKCARD SERVICES	42.95	MEETING EXPENSE FOR MEETING 2/27/06 FOR HIGHLAND PRESENTATION
5841	THE OETZEL HARTMAN GROUP	9,000.00	APPRaisal FOR DC-836
5841	HERITAGE APPRAISAL SERVICE	1,200.00	APPRaisal FOR DC-1198
5841	HERITAGE APPRAISAL SERVICE	750.00	APPRaisal FOR DNR2
5841	HERITAGE APPRAISAL SERVICE	1,200.00	APPRaisal FOR DC-836
5842	GARCIA CONSULTING	55.00	PROFESSIONAL SERVICES FOR DC-1174
5842	GARCIA CONSULTING	375.00	PROFESSIONAL SERVICES FOR DC-1107
5842	GARCIA CONSULTING	27.50	PROFESSIONAL SERVICES FOR DC-1171
5842	GARCIA CONSULTING	110.00	PROFESSIONAL SERVICES FOR DC-1172
5842	GARCIA CONSULTING	82.50	PROFESSIONAL SERVICES FOR DC-1173
5842	GARCIA CONSULTING	55.00	PROFESSIONAL SERVICES FOR DC-1177
5842	GARCIA CONSULTING	90.00	PROFESSIONAL SERVICES FOR DC-1182
5842	GARCIA CONSULTING	357.50	PROFESSIONAL SERVICES FOR DC-1183
5842	GARCIA CONSULTING	455.00	PROFESSIONAL SERVICES FOR DC-1182
5842	GARCIA CONSULTING	65.00	PROFESSIONAL SERVICES FOR DC-1182(PART 2)
5842	GARCIA CONSULTING	330.00	PROFESSIONAL SERVICES FOR DC-1199
5842	GARCIA CONSULTING	330.00	PROFESSIONAL SERVICES FOR DC-1198
5842	R. W. ARMSTRONG	580.00	PROFESSIONAL SERVICES FOR PERIOD ENDED 2/10/06
5843	STEWART TITLE SERVICES OF NORTHWEST	685.00	TITLE WORK FOR DC-78
5843	STEWART TITLE SERVICES OF NORTHWEST	485.00	TITLE WORK FOR DC-213A
5843	STEWART TITLE SERVICES OF NORTHWEST	225.00	TITLE WORK FOR DC-836
5844	JAMES E POKRAJAC	4,619.75	ENGINEERING SERVICES 2/16/06-2/28/06
5844	JAMES E POKRAJAC	289.20	FEBRUARY MILEAGE
5844	JAMES E POKRAJAC	4,945.85	ENGINEERING SERVICES 3/1/06-3/15/06
5844	JUDITH VAMOS	2,554.50	LAND ACQUISITION AGENT SERVICES 2/16/06-2/28/06
5844	JUDITH VAMOS	14.40	FEBRUARY MILEAGE
5844	JUDITH VAMOS	3,045.75	LAND ACQUISITION AGENT SERVICES 3/1/06-3/15/06
5844	G. LORRAINE KRAY	754.30	CREDITING TECHNICIAN & LAND ACQUISITION ASSISTANT 2/16/06-2/28/06
5844	G. LORRAINE KRAY	1,071.90	CREDITING TECHNICIAN & LAND ACQUISITION ASSISTANT 3/1/06-3/15/06
5844	SANDY MORDUS	125.00	CREDITING TECHNICIAN SERVICES 2/16/06-2/28/06
5844	SANDY MORDUS	175.00	CREDITING TECHNICIAN SERVICES 3/1/06-3/15/06
5846	LOCK & KEY	482.70	LOCKS TO SECURE COMMISSION OWNED PROPERTY
5847	DLZ	1,799.25	PROFESSIONAL SERVICES RE: DC-1233
5847	DLZ	1,805.25	PROFESSIONAL SERVICES RE: DC-1234
5847	DLZ	1,806.75	PROFESSIONAL SERVICES RE: DC-1235
5847	DLZ	1,805.25	PROFESSIONAL SERVICES RE: DC-1236
5847	DLZ	1,805.25	PROFESSIONAL SERVICES RE: DC-1237
5849	CASALE,WOODWARD & BULS LLP	10,929.96	LAND ACQUISITION/LEGAL SERVICES FOR PERIOD ENDED 3/24/06
5861	GEORGE E. FRANKLIN III	4,370.00	PURCHASE PRICE OF DC-1120
5861	CENTIER BANK AS TRUSTEE FOR TRUST 139	4,300.00	PURCHASE PRICE OF DC-1127
5861	VIRGINIA YOUNG	2,900.00	PURCHASE PRICE OF DC-1171
5861	SHIRLEY SCHREIER	12,760.00	PURCHASE PRICE OF DC-1130
5861	STAR SHOPPING NEWS	75.64	NEWSPAPER NOTICE PRINTING FOR DC-128(NOTICE)
5861	STAR SHOPPING NEWS	106.64	NEWSPAPER NOTICE PRINTING FOR DC-128(SUMMONS)
5861	LAKE COUNTY RECORDER	110.00	TO RECORD EASEMENTS FOR DC-1119,1121,1123,1125,1128,& 1129
5882	NIES	138.04	UTILITY LOCATE ASSISTANCE SV-II

TOTAL

92,795.71

8

**APPROVAL TO PAY THE FOLLOWING INVOICES
FROM O&M FUND
April 5, 2006**

-
- **\$93.50 to NIPSCO for costs incurred for elec. & gas at 3120 Gerry Street in Gary**
 - **\$4,702.03 to R. W. Armstrong Company for O&M issues and pump station bid coordination**
 - **\$2,935.85 to Lawson-Fisher Associates for services in February for the River Road levee in Griffith IN**
 - **\$46,816.88 to Valparaiso Insurance Professionals for annual renewal cost of property liability insurance**

TOTAL \$ 54,548.26



Balance in O&M account after paying this invoice will be \$98,522.35

INDIANA GENERAL ASSEMBLY
FUNDING HISTORY
FROM FEDERAL AUTHORIZATION
(1986 Water Resources Development Act)

<u>FISCAL YEAR</u>	<u>LCRBDC REQUEST</u>	<u>AMOUNT RECD</u>
1985-86 & 86-87	\$ 6 MILLION	\$ 3 MILLION
1987-88 & 88-89	\$ 3 MILLION	\$ 2 MILLION
1989-90 & 90-91	\$ 3 MILLION	\$ 2 MILLION
1991-92 & 92-93	\$ 3 MILLION	\$ 2 MILLION
1993-94 & 94-95	\$ 7 MILLION	\$ 4 MILLION
1995-96 & 96-97	\$ 8 MILLION	\$ 2 MILLION
1997-98 & 98-99	\$ 4 MILLION	\$ 2 MILLION
1999-00 & 00-01	\$ 6 MILLION	\$1.5MILLION
2001-02 & 02-03	\$12 MILLION	\$ 3 MILLION
	(Actually appropriated \$5.5 million but \$2.5 was rescinded)	
2003-04 & 04-05	\$ 7 MILLION	<u>\$ 5 MILLION</u>
	(\$2 million was rescinded and was never received)	
2005-06 & 06-07	<u>\$ 5 MILLION</u>	<u>\$2 MILLION</u>
TOTAL TO DATE	\$64 MILLION	\$23.5MILLION

PUBLIC INFORMATION/COMMUNICATIONS REGARDING **CONSTRUCTION**

What does COE do?

- COE is mandated to hold a public meeting (in which we attend) to present the plans and answer questions, for that particular stage of construction
- Pre construction meeting is held with contractor and the municipality, along with affected utilities
- COE has a Quality assurance person on construction site to monitor the contractor's work.
- COE will address any concerns residents have when they call the area office.
- COE specs mandate the contractor to have a quality control person on site.

What does LCRBDC do?

- We are required to send out a mailing to affected parties to fulfill IDNR permit requirements
- We are talking to municipality officials in that respective construction area
- We send a letter to affected residents. Contact is made by the appraiser before they appraise the easements so homeowners are given the opportunity to accompany appraiser. Also, before any of our surveyors go on private property, the surveyor will contact the property owner for permission.

What does the Contractor do?

- Contractor has a quality control person on site during construction.
- Contractor notifies residents ahead of time when any major construction activities occur (including sheet pile driving or heavy earth-moving equipment).

What could we all do better?

- We can send a letter to affected residents once contractor is selected letting them who the contractor is and let them know the construction schedule. We could give our names as contacts, with address and phone number, in that same letter.
- We could provide residents with point of contact information. This would include the contractor quality control person, as well as the quality assurance representatives from the COE.
- COE could make a construction rep available for public meetings upon request from the municipality.



Little Calumet River Basin Development Commission

6100 Southport Road
Portage, Indiana 46368

(219) 763-0696 Fax (219) 762-1653
E-mail: littlecal@nirpc.org

WORK STUDY SESSION

APRIL 5, 2006

5:30 – 6:00 p.m.

ACTION ITEMS:

Finance

Approval of claims for March 2006

Approval of O&M claims for March 2006

Land Acquisition

Approval of increased offer on DC-1120 to \$4,370

~~Approval of condemnation of DC-1101~~

*already
approved last
month*

ITEMS OF IMPORTANCE/POLICY:

- Status of Burr Street - Gary
 - Funding agreement approval/construction schedule
- Meeting with city of Hammond/State officials regarding Cabela's status
- Meeting with IDNR Director, Kyle Hupfer, on March 31

*1,400,000
\$420,000
1,820,000*



SHEET
NUMBER
C-01

LITTLE CALUMET RIVER, INDIANA
LOCAL FLOOD PROTECTION
STAGE 5 PHASE 2
CONCEPTUAL PLAN
ALIGNMENT

U.S. ARMY ENGINEER DISTRICT
CORPS OF ENGINEERS
CHICAGO, ILLINOIS

DESIGNED BY: JAC
DATE: MARCH 2006
DRAWN BY: JAC
SCALE: AS SHOWN
CHECKED BY: JT
SOLICITATION NUMBER:
SUBMITTED BY: DATE:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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PLOT DATE: WATER
FLOODING: W/ENHANCED

LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION ATTENDANCE ROSTER

NAME OF MEETING: LCR/BC DATE: 4-5-06

LOCATION: 6100 Southport Rd, Pontage CHAIRMAN: Bill Boller

PLEASE SIGN IN

	NAME (PLEASE PRINT)	ORGANIZATION, ADDRESS, PHONE NUMBER
1	Donna Boller	DNR
2	Phil Gralik	R.W. Armstrong
3	Imad Samaha	ACOE
4	Steve Enger	Munster
5		
6		
7		
8		
9		
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OPERATION AND MAINTENANCE REPORT

For meeting on Wednesday, April 5, 2006

(Information in this report is based upon latest data provided at the time the report is put together. Dates and costs may vary depending upon ongoing design and/or coordination with the Army Corps.

Report period is from February 23 – March 29, 2006)

O&M Committee (Ongoing issues):

A. Funding to complete O&M obligations.

1. A letter was received from the COE on April 14th, 2004, indicating that FEMA will require that the city of Gary must provide certification that they will provide O&M in compliance with the COE manual prior to FEMA completing their re-mapping of the floodplain. (Ongoing)

B. A meeting was held with the city of Gary on June 28, 2004, to discuss land transfers, Corps upgrades on lift stations, and Gary Stormwater Management District O&M.

1. Land transfers (approximately 359 acres) were discussed. LCRBDC passed a resolution at the July 7, 2004 Commission meeting to begin process.
 - **Survey work has been completed and will be forwarded to the LCRBDC attorney to incorporate into an agreement as part of the O&M turnover.**

2. Inspections were held with the COE, LCRBDC, and representatives from Gary as follows:

A. All four pump stations in Gary were inspected on September 13, 2004 (these included Burr St. North, Grant, Broadway, and Ironwood). Representatives from the Corps, Greeley & Hansen, United Water, and the LCRBDC attended.

1. A list of all items to be included as the scope of work (including supplemental comments with more detail from Austgen Electric and the Griffith COE) has been completed and will serve as the basis to assemble a bid package.
2. Authorization has been given to Austgen Electric to repair Pump 2 with a new impeller and seals at the Grant Street Pump Station. Also for miscellaneous repairs at Burr Street Pump Station (all minor items).
 - Additional authorization has been given to Austgen to do other repairs on site to reduce the final scope of work (These items were reviewed on February 16 at a meeting with R. W. Armstrong, Austgen, & the LCRBDC)
 - It appears at this stage of diagnostics that the majority of items on the list as the "scope of work" have been completed as minor cost items and that the final scope could be very minimal.
 - **LCRBDC received a cost summarization, and breakdown of expenditures thru March, 2006 in the amount of \$58,752.74.**

1A

- LCRBDC received a letter from R. W. Armstrong Co. on April 3, 2006 with a total cost for services thru March 23, 2006 along with a list of tasks performed as their scope of work. 1B
- 3. A letter was sent to the Army Corps on March 27 requesting they address certain items that are part of the final punch list. 1-3
- 4. A letter was sent to Spike Peller, GSD, on March 24 providing a status of all items (copy included) and indicating some items Gary requested cannot be part of the project responsibility. 4-12
- 5. It is the intent to advertise sluice gates and flap gates separately from the pump stations and will include lubrication, clean-up, and punch list items.
- C. Gary indicated they would take over O&M responsibilities for the (2) recently completed lift stations (32nd & Cleveland and Marshalltown) as soon as all criteria are met by LCRBDC & the COE.
 - 1. Agreements were submitted to Gary on January 31, 2006 for their review and comments (currently being completed)
 - a. As per a request from the city of Gary, legal descriptions and drawings are to be completed by LCRBDC to use as an attachment to the agreement to give Gary rights to the land.
 - **Legal descriptions are now complete and the LCRBDC will work with the city of Gary to get an agreement whereby Gary will assume O&M responsibilities.**
 - b. A final (follow-up) inspection was held on February 17, 2006 with the COE, Gary (Greeley & Hansen) and the LCRBDC. Both stations were found to be operable as per plans & specs.
 - **LCRBDC received a letter (dated February 17, 2006) on March 2 from Greeley & Hansen indicating requirements for turnover.** 13-14
 - 2. Received "as-built" drawings from the COE on December 23, 2005, and had final sign-offs for the check list for turnover completed.
 - a. **After review of drawings, LCRBDC has forwarded them to Greeley & Hansen for their review (as part of request from G&H in their letter)**
- D. A meeting was held on June 30, 2005 at the Griffith Town Hall regarding the process of Griffith being removed from the flood plain.
 - 1. LCRBDC contracted out services for Griffith to gather information for levee certification as requested by FEMA.
 - 2. An email was sent to Lawson-Fisher on December 27 informing them to proceed with their scope of work at a cost not to exceed \$9,700.
 - Scope includes determining what is required by FEMA to certify this line of protection.
 - A meeting was held with the COE, FEMA, IDNR, LCRBDC, and Lawson-Fisher on February 9, 2006 to ask questions and review Lawson-Fisher scope of work.
 - 3. **Lawson-Fisher doing their on site levee walk thru/inspection on March 28, 2006**

- E. An e-mail was sent to INDOT on October 27, 2005 to re-construct several ramps to our levees in areas where the bridges over I-80/94 were raised and the percent grade of the slopes were not maintained. Also, to clean out a control structure west of Georgia & south of I-80/94.
- F. LCRBDC currently working on final O&M package to Gary.
- Gary to review, comment, and familiarize themselves with current Army COE O&M manual.
 - COE to add to, update, and modify to include most recent construction.
 - LCRBDC is putting together draft memo with summary of outstanding issues & actions. (Ongoing)
- G. LCRBDC working on turning over the North 5th Avenue Pump Station to the town of Highland.
1. A final inspection was held with Highland on February 28 (Contractor was Overstreet)
- **A letter was sent by the Army Corps to Overstreet on March 15, 2006 listing the items remaining to complete the contract.** 15-17
 - **This letter also summarized their contractual obligations, and a sequence of events to complete the punch list. They demonstrated an unsatisfactory performance on this contract and have failed to complete these items in a timely manner.**
 - **At the inspection on February 28, it was also noted that the automatic trash rack was not operating without jamming. A factory representative did diagnostics on March 28, and felt it was an electrical problem.** 18-19
 - **An email was sent by NIES ENGINEERING on March 28 and March 29 indicating that the problem appears to be a wire going to ground due to installation, and that it seems to be a contractor problem.**
 - **Turnover cannot be done until these three remaining punch list items are completed. After they are done, LCRBDC will enter into an agreement (similar to existing agreement for the 81st St. pump station).**
- H. Landscaping – Phase II ongoing contract (Issue with Gary taking over levee maintenance).
1. **An email was sent to the COE on March 16 requesting the contract be modified to leave the “turf-type” grass and eliminate the proposal for native grasses (No herbiciding)** 20
- **In a conversation with Gary, it appears they would prefer mowing to controlled burns; levee inspections would be easier (2 mowings per year); could be done after mowing; and no future controlled burns would be required.**
 - **LCRBDC received a letter from the COE on March 29, 2006 indicating that our project has obligations thru the Environmental Impact Statement 1982 and the FDM 2-1991 to plant these species. Also, the contract has been awarded and the contractor has acquired necessary herbicide and seed.** 21-22

801 East Main Street
Griffith, IN 46319
Ph. 219-924-7528
Fax 219-922-8409
austgen.com



AUSTGEN ELECTRIC INC.

Since 1945

Engineering
Process Control
Network Service
Telecommunications
Fleet Service

Recap Sheet 3/17/2006

Description	Price	Date	Status	Job Number
-------------	-------	------	--------	------------

Broadway				
Initial Inspection Labor	\$ 1,111.40	4/1/06	Complete	9006390
Initial Inspection Material	\$ 74.43	4/1/06	Complete	9006390A
Broadway Pump Break Free	\$ 2,130.00	1/9/06	Complete	20298
Total	\$ 3,315.83			

North Burr				
Initial Inspection Labor	\$ 1,765.00	4/1/06	Complete	9006164
Initial Inspection Material	\$ -	4/1/06	Complete	9006164
North Burr Sump pump discharge repair	\$ 1,890.00	1/9/06	Complete	20298
North Burr lift chain	\$ 1,365.00	1/9/06	Complete	20298
High Ball Float	\$ 540.00	2/15/06	Complete	11533
Pump 2 seal failure	\$ 3,994.00	2/15/06	Complete	11533
Pump 2 phase failure relay replace	\$ 740.00	2/15/06	Complete	11533
Exhaust Fan Motor	\$ 2,640.00	2/15/06	Complete	11533
Main power monitor repair / replace	\$ 3,949.00	2/15/06	Complete	11533
Main power monitor repair / replace Credit unit required only reprogram.	\$ (3,550.00)	2/15/06	Complete	11533
Sump pump phase failure relay	\$ 740.00	2/15/06	Complete	11533
Wet well cables rework	\$ 4,836.00	2/15/06	Complete	11533
Total	\$ 18,909.00			

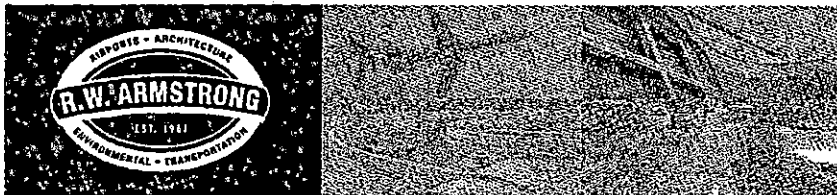
Grant				
Initial Inspection Labor	\$ 1,525.71	4/1/06	Complete	9006388
Initial Inspection Material	\$ -	4/1/06	Complete	NA
Clean Around Trash Rack	\$ 2,500.00	8/2/06	Complete	11472
Grant Remove & Diag Pump 2	\$ 2,700.00	1/27/06	Complete	20298
Grant Rebuild Pump 2	\$ 6,547.00	1/28/06	Complete	20298
Grant Remove & Diag Pump 1	\$ 2,100.00	1/29/06	Complete	20298
Grant Sluice Gate	\$ 3,110.00	2/7/06	Complete	20298
Grant Rebuild Pump 1	\$ 6,547.00	2/7/06	Complete	20298
Total	\$ 25,029.71			

Ironwood				
Initial Inspection Labor	\$ 1,111.40	4/1/06	Complete	9006389
Initial Inspection Material	\$ 74.43	4/1/06	Complete	9006389A
Remove and inspect two failed pumps	\$ 2,700.00	8/2/06	Complete	11472
Reinstall, reconnect test, put in service	\$ 1,950.00	8/2/06	Complete	11472
Total	\$ 5,835.83			

Reports / Principal Time All Stations	\$ 5,662.37
--	--------------------

Grand Total	\$ 58,752.74
--------------------	---------------------

1A



April 3, 2006

20052060.100

Mr. James E. Pokrajac
Little Calumet River Basin Development Commission
6100 Southport Road
Portage, IN 46368

Re: Pump Station Work Summary

Dear Jim:

As you know, RWA has been assisting the LCRBDC with the remediation of issues at the Burr Street Storm Water Pumping Station, the Broadway Storm Water Pumping Station, the Grant Street Storm Water Pumping Station, and the Ironwood Storm Water Pumping Station since late last summer. The tasks performed have included:

1. Compilation of a comprehensive list of all deficiencies noted by the Army Corp of Engineers, the Gary Storm Water Management District, and Austgen Electric.
2. Inspection of each pump station to determine the validity of items on the list of deficiencies.
3. Review of the items on the list of deficiencies to recommend whether or not they should be remediated.
4. Development of drawings of the pump stations to show work needed at each one based on the as-built drawings.
5. Research of IOSHA regulations regarding ladder cages and toe rails.
6. Periodic progress meetings with LCRBDC personnel and Austgen Electric at RWA's office.
7. Periodic updates to the list as repairs were made and items eliminated.

The total costs, through March 23, 2006, for this work has been \$20,961.55. All fees have been based on the 2005 hourly rates approved by the LCRBDC.

If you have any questions, please do not hesitate to call.

Very truly yours,

R. W. Armstrong & Associates, Inc.

Phillip E. Gralik
Associate, Regional Director

P. 219.738.2254	F. 219.738.2259
8300 BROADWAY	MERRILLVILLE, IN 46410-6251
WEB SITE: www.rwarmstrong.com	

13



Little Calumet River Basin Development Commission

6100 Southport Road
Portage, Indiana 46368

(219) 763-0696 Fax (219) 762-1653
E-mail: littlecal@nirpc.org

LIAM BILLER, Chairman
Mayor's Appointment

BERT HUFFMAN, Vice Chairman
Mayor's Appointment

JANE COLVIN, Treasurer
Mayor of Gary's Appointment

MARK RESHKIN, Secretary
Mayor's Appointment

ORGE CARLSON
Mayor of Hammond Appointment

EVE DAVIS
Director of Natural Resources Appointment

JOHN GURLEY
Deputy County Commissioners' Appointment

BERT MARZALEK
Mayor's Appointment

JOHN MROCZKOWSKI
Mayor's Appointment

ARLIE RAY
Deputy County Commissioners' Appointment

JANICE
Mayor's Appointment

J. GARDNER
Executive Director

J. CASALE
Mayor

March 27, 2006

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

Dear Imad:

Under separate cover, I sent a letter to Spike Peller, Director of Gary Sanitary District, on March 24. I enclosed a copy of the summarization of all items that needed to be remediated for the four (4) pump stations in Gary. Among those items, there were some questions that need to be addressed, in writing, by the Army Corps. Those items are as follows:

Burr Street Pump Station

1. During the operations and maintenance of this pump station, how is the intake structure to be cleared of obstructions and debris?
2. GSWMD has requested verification that the as-built drawings accurately depict what was constructed and verification that everything called for by the plans and specifications was installed. It seems the simplest way to do this is some form of certification from the Army Corps of Engineers.
3. GSWMD has also requested that the pumps be tested for load and capacity. With no water readily available at the station, this will not be a simple matter. This request also raises the question of running the pumps during O&M. How did the Army Corps of Engineers plan to run the pumps as part of O&M?

Grant Street Pump Station

1. How did the Army Corps of Engineers plan to execute the required O&M on the gates that are always under water at this station? Two of them leak according to the Corps' inspection and will not be easy to fix because of the water level.
2. The control panel heater, which is shown on the construction drawings and needed in the station, was not installed during construction. One needs to be installed.

3. GSWMD has requested verification that the as-built drawings accurately depict what was constructed and verification that everything called for by the plans and specifications was installed. It seems the simplest way to do this is some form of certification from the Army Corps of Engineers.
4. GSWMD has also requested that the pumps be tested for load and capacity. With no water readily available at the station, this will not be a simple matter. This request also raises the question of running the pumps during O&M. How did the Army Corps of Engineers plan to run the pumps as part of O&M?

Broadway Pump Station

1. GSWMD has requested verification that the as-built drawings accurately depict what was constructed and verification that everything called for by the plans and specifications was installed. It seems the simplest way to do this is some form of certification from the Army Corps of Engineers.
2. GSWMD has also requested that the pumps be tested for load and capacity. With no water readily available at the station, this will not be a simple matter. This request also raises the question of running the pumps during O&M. How did the Army Corps of Engineers plan to run the pumps as part of O&M?

Ironwood Pump Station

1. The Army Corps of Engineers was to supply a spare pump and lifting apparatus to this station to satisfy GSWMD's concern regarding the replacement of a pump during a flood event. Some fencing modifications are also necessary to make this possible. What is the schedule to accomplish this work?
2. GSWMD has requested verification that the as-built drawings accurately depict what was constructed and verification that everything called for by the plans and specifications was installed. It seems the simplest way to do this is some form of certification from the Army Corps of Engineers.
3. GSWMD has also requested that the pumps be tested for load and capacity. With no water readily available at the station, this will not be a simple matter. This request also raises the question of running the pumps during O&M. How did the Army Corps of Engineers plan to run the pumps as part of O&M?

General Comments

1. The Burr Street pump station has phase monitors to protect the pumps, but the other stations do not. Some stations also have exterior alarm lights while others do not. Why were these items included on some stations and not on others? Should they be installed now?
2. Austgen Electric, the contractor making the repairs, has suggested adding timing relays to automatically "bump" the pumps on a weekly basis to prevent problems like the ones being corrected with this work. Should these be added to these pump stations? Should they be included in future designs?

Mr. Imad Samara
March 27, 2006
Page 3

3. We also suggested adding "bumping" the pumps, activating them briefly to spin the internal parts, to the O&M Manual to be performed weekly.
4. One of the impellers was broken inside the pump. This may have been caused by ice inside the pump. We are contacting the manufacturer to determine whether or not this is the case. If this is a problem as we suggested it may be some time ago, how will the Army Corps of Engineers remediate this problem?

In order to expedite our turnover of the four pump stations to the city of Gary for operation and maintenance, these items all need a written response. If you have any questions regarding these items, please let me know.

Sincerely,



Dan Gardner
Executive Director

/sjm
cc:

Jim Meyer, attorney, city of Gary
Spike Peller, GSD & GSWMD
Don Smales, Greeley & Hansen
Jay Niec, Greeley & Hansen
Phil Gralik, R. W. Armstrong Company
Mike Austgen, Austgen Electric Company
William Biller, LCRBDC Chairman
Arlene Colvin, LCRBDC, city of Gary
Bob Huffman, LCRBDC, Engineering Committee
James Pokrajac, Agent, Engineering/Land Mgmt, LCRBDC



Little Calumet River Basin Development Commission

6100 Southport Road
Portage, Indiana 46368

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E-mail: littlecal@nirpc.org

March 27, 2006

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BERT HUFFMAN, Vice Chairman
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JANE COLVIN, Treasurer
Mayor of Gary's Appointment

MARK RESHKIN, Secretary
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IVE DAVIS
Director of Natural Resources Appointment

ENT GURLEY
Member County Commissioners' Appointment

BERT MARZALEK
Mayor's Appointment

IN MROCZKOWSKI
Mayor's Appointment

ARLIE RAY
Member County Commissioners' Appointment

ANCY
Mayor's Appointment

J GARDNER
Executive Director

J CASALE
Mayor

Mr. Charles Peller, Director
Gary Sanitary District &
Gary Storm Water Management District
3600 West 3rd Avenue
Gary, Indiana 46406

Dear Spike:

The Little Calumet River Basin Development Commission has been working with R. W. Armstrong Company and Austgen Electric to complete the remediation work for the four (4) pump stations in Gary. These stations include the Burr Street Storm Water Pumping Station located east of Burr Street and north of the Little Calumet River; the Grant Street Storm Water Pumping Station located east of Grant Street and south of the Little Calumet River; the Broadway Storm Water Pumping Station located east of Broadway directly south of the Little Calumet River; and the Ironwood Storm Water Pumping Station located west of Martin Luther King Drive north of the NSRR. I have enclosed a copy of the status of the items from the composite punch list from GSWMD, LCRBDC, and the Army Corps and what the status is of each of these items.

As you will notice on the legend, all of those items in **white** have been completed.

Those items in **yellow** will be items the Development Commission needs to address.

The items in **orange** will be included in the upcoming sluice gate/flap gate contract which will be facilitated this spring by the Development Commission. It is our intent to not only address any malfunctions of the sluice gates but also to lubricate all of them as per the Army Corps recommendations in their O&M manual. We will also include in this contract inspections of the flap gates to assure that they are properly sealing.

Those items in **blue** will all be included as part of an upcoming fence contract which will also be advertised and coordinated by the Development Commission this spring.

Mr. Spike Peller
March 27, 2006
Page 2

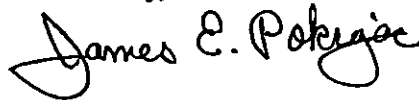
Those items in **green** are items requested by the GSWMD and state the position of the Development Commission and may require future discussion.

Those items in **red** are items that will be included in a separate letter to the Army Corps which would address comments submitted by both the Development Commission and GSWMD.

It is our intent to facilitate those items not completed in order to satisfy the city of Gary to assume full responsibility for the O&M of these four pump stations.

If you have any questions regarding this information, please contact me in order that we may come to a final resolution. I am out of the office next week but will be back on Monday April 3. You may give your comments to either Dan Gardner or Phil Gralik, from R. W. Armstrong (219/738-2258) in the mean time.

Sincerely,



James E. Pokrajac, Agent
Engineering/Land Management

/sjm
encl.
cc:

Jim Meyer, attorney, city of Gary
Don Smales, Greeley & Hansen
Jay Niec, Greeley & Hansen
Phil Gralik, R. W. Armstrong Company
Mike Austgen, Austgen Electric
Imad Samara, ACOE
William Biller, LCRBDC Chairman
Arlene Colvin, LCRBDC, city of Gary
Bob Huffman, LCRBDC, Engineering Committee

Burr Street Pump Station			
#	Problem Description	Decision/Action Taken	Action Still Needed/Comments
1	Pump Number 1 needs repair to make it automatically operational.	Austgen found Pump #1 Operational in manual and automatic modes.	None.
2	Pump Number 1 does not discharge to the river. This may be a problem with the pump and/or the discharge line.	Repaired by Austgen.	None.
3	Pump Number 2 is not operational because a necessary module has been removed.	Replaced the phase motor relay and the control and status module	None.
4	The sump pump is not operational because the phased motor relay needs to be replaced.	Replaced the phase motor relay.	None.
5	An O&M Manual needs to be stored in the pump station		LCRBDC to add to station
6	Wall mounted heater and/or thermostat need repair	Austgen verified the heater and thermostat work within specifications	None.
7	Debris and obstruction need to be removed	None observed during site visit.	None.
8	Metallic parts are showing some signs of corrosion and may need to be resurfaced		Include in fencing contract.
9	The alarm on phase loss and phase reversal is not working. This can be corrected by replacing the switchgear metering device	Relpaced the digital metering system.	None.
10	The light bulbs in the exit sign of the station need to be replaced	Replaced bulbs.	None.
11	There is a spliced cable inside the wet well. This cable should be replaced	Replaced multiple float cables with one 9 conductor cable to replace spile.	None.
12	One of the conduits is packed full of cables. Another conduit should be installed and some of the existing cables re-routed through it	Replaced multiple float cables with one 9 conductor cable to create space in conduit.	None.
13	The high level alarm is not working and needs to be repaired	Replaced the high level float ball and verified that it works correctly.	None.
14	The level control cords need to be properly secured in the wet well	Secured while replacing multiple float cables.	None.

Black White - Completed Items
 Yellow Highlighted - LCRBDC
 Blue Highlighted-Fence Contract
 Orange Highlighted-Gate Contract
 Red Text-Letter to ACOE
 Green Text-Letter to GSWMD

15	Security locks are needed on the wet well hatches, discharge structure hatches, and roof hatches	Locks are in place.	None.
16	Electronic indication of wet well level and basin level needs to be added	Not included in contracts.	Letter to GSWMD stating this is not possible without extensive modifications and will not be done as remediation.
17	The Emergency Generator Connection may need to be relocated so that it is accessible during a flood event	Already completed prior to this remediation.	None.
18	Outfall structures need to be properly fenced		Include in fencing contract.
19	Verification is needed that the 480-volt generator connection works	Already completed prior to this remediation.	None.
20	Damaged fencing and gate need to be repaired		Include in fencing contract.
21	A problem with the main pump power and associated breaker resets needs to be investigated further.	Austgen unable to find any problem.	None.
22	The electric heater needs to be raised inside the station		Letter to GSWMD stating the heater is located per ACOE plans.
23	The sump pump does not discharge to the river	Repaired by Austgen.	None.
24	Means to clean the intake structure		Letter to ACOE inquiring how this is to be done during O&M.
25	Telemetry needs to be added to station.		Letter to GSWMD stating this was not part of the original design and that it will not be added under this contract.
26	Verification that the as-built drawings actually reflect what was built.		Letter to ACOE requesting this verification.
27	Verification that all items in the plans and specs were provided.		Letter to ACOE requesting this verification.
28	Test pumps for load and capacity		Letter to ACOE inquiring how this is to be done and how they planned to run pumps during O&M.
29	Exhaust fan in roof does not work.	Replaced by Austgen.	None.

Black White - Completed Items
 Yellow Highlighted - LCRBDC
 Blue Highlighted-Fence Contract
 Orange Highlighted-Gate Contract
 Red Text-Letter to ACOE
 Green Text-Letter to GSWMD

Grant Street Pump Station			
#	Problem Description	Decision/Action Taken	Action Still Needed/Comments
1	The sump pump and corresponding discharge piping and wiring, which is shown on the as-built drawings, was not installed. This pump, piping, and wiring need to be installed		Letter to ACOE to request this work be completed.
2	A shaft bracket on the right side of the east sluice gate is broken and needs to be repaired	Replaced bracket.	None.
3	An O&M Manual needs to be stored in the pump station		LCRBDC to add to station
4	Two of the gates leak significantly according to the ACOE inspection and need to be repaired		Letter to ACOE to ask how they planned to do O&M here since these gates are under water.
5	Metallic parts are showing some signs of corrosion and may need to be resurfaced		Include in fencing contract.
6	Pump Number 2 indicates a seal failure. This pump needs to be removed and analyzed further to determine what repairs are required	Repaired pump.	None.
7	The east flap gate, according to Austgen Electric's inspection, is in operable. This must be repaired		Letter to ACOE to ask how they planned to do O&M here since these gates are under water. Include in sluice/flap gate contract.
8	New light bulbs are needed in the indicator lamps	Replaced light bulbs.	None.
9	A surge suppressor needs to be installed. It was found in the station and had apparently never been installed	Installed surge suppressor.	None. (One was found at the site, but never called for on the original design drawings.)
10	A new control panel heater is needed		Include in letter to the ACOE. One should have been installed when the station was built, but was not and is not shown on the drawings. It is to control condensate in the control panel.
11	New exterior alarm lights are needed	Never called for on the original design drawings, but is very valuable without telemetry.	None.

Black White - Completed Items
 Yellow Highlighted - LCRBDC
 Blue Highlighted-Fence Contract
 Orange Highlighted-Gate Contract
 Red Text-Letter to ACOE
 Green Text-Letter to GSWMD

12	Phase Monitor should be installed.	Never called for on the original design drawings, but is very valuable to protect submersible pumps.	None.
13	Telemetry needs to be added to station.		Letter to GSWMD stating this was not part of the original design and that it will not be added under this contract.
14	Verification that the as-built drawings actually reflect what was built.		Letter to ACOE requesting this verification.
15	Verification that all items in the plans and specs were provided.		Letter to ACOE requesting this verification.
16	Test pumps for load and capacity		Letter to ACOE inquiring how this is to be done and how they planned to run pumps during O&M.
17	Debris is blocking the intake structure.	Austgen removed the debris.	None.
18	Pump Number 1 in not operational.	Austgen rebuilt Pump Number 1	None.

Broadway Pump Station			
#	Problem Description	Decision/Action Taken	Action Still Needed/Comments
1	Pump Number 2 does not run. It needs to be removed and examined further to determine what repairs are necessary	Repaired pump.	None.
2	The gate travel indicators do not accurately reflect the position of the gate. This should be recalibrated		Include in sluice/flap gate contract.
3	An O&M Manual needs to be stored in the pump station		LCRBDC to add to station
4	Metallic parts are showing some signs of corrosion and may need to be resurfaced		Include in fencing contract.
5	Phase Monitor should be installed.		Never called for on the original design drawings, but is very valuable to protect submersible pumps.
6	Telemetry needs to be added to station.		Letter to GSWMD stating this was not part of the original design and that it will not be added under this contract.
7	Verification that the as-built drawings actually reflect what was built.		Letter to ACOE requesting this verification.
8	Verification that all items in the plans and specs were provided.		Letter to ACOE requesting this verification.
9	Test pumps for load and capacity		Letter to ACOE inquiring how this is to be done and how they planned to run pumps during O&M.

Ironwood Pump Station			
#	Problem Description	Decision/Action Taken	Action Still Needed/Comments
1	The grounding cable attached to the fence needs to be tightened		Include in fencing contract.
2	The gate travel indicators do not accurately reflect the position of the gate. This should be recalibrated		Include in sluice/flap gate contract.
3	An O&M Manual needs to be stored in the pump station		LCRBDC to add to station
4	Metallic parts are showing some signs of corrosion and may need to be resurfaced		Include in fencing contract.
5	The ACOE was to supply a spare pump and lifting apparatus to the station to satisfy the GSWMD's concern regarding replacing a pump during a flood event		Include in letter to ACOE.
6	The ladders at the station do not have cages that may be required by OSHA. If this is required, the cages will have to be installed	Researched issue and cages are not required per IOSHA code 1910.27(d)(1)(ii).	Include in letter to GSWMD.
7	Verification is needed that the 480-volt generator connection works		
8	A sump pump needs to be added to this station		Never called for on the original design drawings, but is very valuable without telemetry.
9	Alarms need to be added to this station		Never called for on the original design drawings, but is very valuable without telemetry.
10	Phase Monitor should be installed.		Never called for on the original design drawings, but is very valuable to protect submersible pumps.
11	Fencing modifications are needed to provide needed access for pump removal		Include in letter to ACOE.
12	Verification is needed to confirm the floats are operational	Verified by Austgen.	Include in letter to GSWMD.
13	Replace handle on generator safety switch	Replaced.	None.
14	Toe plates need to be installed	Researched issue and toe plates are not required per IOSHA code 1910.23 (c) (1).	Include in letter to GSWMD.

Black White - Completed Items
 Yellow Highlighted - LCRBDC
 Blue Highlighted-Fence Contract
 Orange Highlighted-Gate Contract
 Red Text-Letter to ACOE
 Green Text-Letter to GSWMD

15	Control panel design does not allow access to pump controls. The cabinet strut blocks access to controls. (Similar situations exist in other stations.)	Cabinets incorporate a removable mullion in the event extensive work is required in the panel.	Include in letter to GSWMD.
16	Telemetry needs to be added to station.		Letter to GSWMD stating this was not part of the original design and that it will not be added under this contract.
17	Verification that the as-built drawings actually reflect what was built.		Letter to ACOE requesting this verification.
18	Verification that all items in the plans and specs were provided.		Letter to ACOE requesting this verification.
19	Test pumps for load and capacity		Letter to ACOE inquiring how this is to be done and how they planned to run pumps during O&M.



GREELEY AND HANSEN

567 S. Lake Street
Gary, Indiana 46403
p 219 938 8354
f 219 938 8376
www.greeley-hansen.com

February 17, 2006

Mr. Jim Pokrajac
Little Calumet River Basin Development Commission
6100 Southport Road
Portage, Indiana 46368

Subject: 32nd & Cleveland and Marshall Town ACOE Storm Water Lift Station Inspection

Dear Mr. Pokrajac:

In order to complete the transfer of ownership of two Army Corps of Engineers (ACOE) Storm Water Lift Stations, an inspection was conducted on February 17, 2006 for the stations located near 32nd and Cleveland and Marshalltown, and we along with Mr. Scott Babcock of the ACOE were in attendance. During the Summer of 2005, two of the Army Corps of Engineers (ACOE) Storm Water Lift Stations were inspected to determine if their conditions, and if they were satisfactory to be taken over by the Gary Storm Water Management District (GSWMD) for Operations and Maintenance. The two lift stations that were inspected were the 32nd & Cleveland (Tile Station) and the Marshalltown Lift Station.

During the summer 2005 inspection of the Tile Station, it was noted that the effluent "Duck Bill" valves were in bad condition, and were in need of replacement. Since this inspection, the two "Duck Bill" valves were replaced with new swing valves. These swing gates were operating properly, but the effluent from the lift station caused them to freeze in the open position. However, the gates have a high elevation, and backflow from the flood plain does not pose a threat. Now other problems were noted during the Summer 2005 inspection. During the most recent inspection held on February 17, 2006, the alarm indicator light was activated, and the instrumentation panel indicated the sump pump had a low level alarm. The ACOE was to come back out and investigate this alarm. The day before the February 17 inspection, there was heavy precipitation, and the wet well was filling from the drainage ditch, and the cycling of the pumps in the automatic mode was witness.

The Marshalltown Storm Water Lift Station was also inspected on February 17, 2006. The alarm for this station was also active for a low level alarm for the sump pump. Again, the ACOE was to come back out to investigate this alarm. The wet well was relatively low, but water from the drainage ditch was flowing into it. The effluent structure was wet, indicating the pumps are properly functioning. A concern was brought to your attention regarding the removal of pumps from this station if they ever need to be pulled for repairs. Upon my inspection, it appears the fence surrounding the station will have to be removed in order for a crane to pull any of the pumps. Further inspection of this will be required by the White River Environmental Partnership.

It was also discussed that in order for the GSWMD to take over these stations, that they must be in good repair and operates and performs as designed. In order to verify this, and recommend the GSWMD take ownership of these stations, I will need to see the Plans and Specifications for these two stations. Once you have received a copy from the ACOE, please forward them to me. Furthermore, spare parts, Operation and Maintenance Manuals, along with training will have to be provided to the Gary Storm Water Management District and their contract operators.

Mr. James Pokrajac

- 2 -

February 17, 2006

Very truly yours,

Greeley and Hansen



Eric Tonk

c: Charles Peller, P.E., GSWMD Director
James B. Meyer, Esp., GSWMD Attorney
~~Scott Babcock, Army Corps of Engineers~~
Don Smales, Greeley and Hansen LLC





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

March 15, 2006

REPLY TO
ATTENTION OF

Technical Services Division
Calumet Area Office (1180-1-1q)

SUBJECT: Contract No. DACW27-01-C-0008
Little Calumet River
North Fifth Avenue Pump Station Rehabilitation
Lake County, Indiana
Final Inspection

Mr. Benjamin J. Overstreet
Overstreet Engineering & Construction, Inc.
4220 N. Davis Highway Bldg. B
Pensacola, FL 32503

Dear Mr. Overstreet:

A final inspection of the subject contract was performed on February 28, 2006 with representatives from the US Army Corps of Engineers, the Town of Highland, Little Calumet River Basin Development Commission, and Overstreet Engineering and Construction, Inc. During the inspection, it was determined that the following items remain to be completed:

1. Provide As-Built Drawings
2. Provide Remaining Electrical Spare Parts
3. Demobilize from the site, remove the trailer and its utility connections, and restore the site to pre-work conditions. The perimeter fence may be left in place.

This contract was scheduled to be complete on January 27, 2004, over 25 months ago, and these punch list items still remain. Below is a summary of the events and correspondence issued since that date documenting your continued failure to complete the remaining punch list items required to fulfill the contract:

- Your letter of February 17, 2004 requested that the Government notify you if we were not in agreement with your assumption of a Substantial Completion Date of January 27, 2004.
- A Preliminary Inspection was conducted on March 2, 2004. Overstreet provided a binder during this inspection that listed the remaining unfinished work and deficiencies. During the inspection, additional

punch list items were identified that we sent to your office by facsimile on March 4, 2004.

- Our letter, dated March 10, 2004, sent in response to your letter of February 17, 2004, indicated that the Government's Quality Assurance Representative witnessed the start up of the final three major pumps on January 27, 2004. On February 29, 2004, representatives from the Corps of Engineers and the Town of Highland were at the site and confirmed that the pumps were in operation. On March 4, 2004, we provided your field personnel with our punch list of remaining items. Our March 10, 2004 letter noted that the work was considered substantially complete as of January 27, 2004, contingent upon completion of all remaining deficiencies, punch list items, and project documentation in a timely manner. Overstreet was instructed to notify the Corps of Engineers when the work was complete and to schedule a Final Inspection.
- Our letter of August 3, 2004 provided you with our revised March 4, 2004 punch list with completed items shown in "strikethrough" font. A copy of your March 2, 2004 list of remaining unfinished work and deficiencies was also enclosed. We repeated our request to complete the remaining work and schedule a Final Inspection.
- Almost 18 months after the last pump was installed, Overstreet still had not completed the punch list items. We issued a SHOW CAUSE NOTICE, dated August 16, 2005, that indicated that: "Since you have failed to complete the Punch List Items, and submit the final as-built drawings and final pump station operation and maintenance manuals within the required terms of contract DACW27-01-C-0008, the Government is considering terminating the contract under the provisions of default of this contract." An update of our March 4, 2004 punch list with completed items in "strikethrough" font was enclosed.
- Your letter of August 26, 2005 sent in response to our August 16, 2005 SHOW CAUSE NOTICE indicated that you had "full attentions of complying with the contract closeout requirements." Your letter established completion dates for some of the punch list items as follows:

<u>Item</u>	<u>Promised Completion Date</u>
Final As-Built Drawings	October 14, 2005
Final O & M Manuals	September 30, 2005
Punch List Item #37 (Nameplates)	October 14, 2005
Item #38 (Elect. Spare Parts)	September 30, 2005
Item #51 (Seal Drywell Conduit)	October 14, 2005
Item #65 (Demobilize)	After Government Approval of Punch List Items

In closing you stated that you would: "stay in touch with my Project Superintendent to make certain that we meet our committed deadline dates."

- In our letter of September 2, 2005, the Government responded to your letter, dated August 26, 2005, and accepted your proposed completion

dates. In this letter we noted that some remaining punch list items were not provided with completion dates and requested that a schedule be provided for all the remaining work. If you failed to complete the items by the completion dates established we requested that you present, in writing, any reasons why the Contract should not be terminated under the provisions for default.

- In our letter of December 1, 2005, we documented that punch list items still had not been completed, including the items with promised completion dates listed above. It was noted that more than six weeks had past since the time of the latest promised completion date. We requested that you explain your continued failure to perform and to provide us with revised completion dates for the remaining punch list items.
- Your letter of December 21, 2005, sent in reference to our letter of December 1, 2005, offered your apology for not meeting the promised completion dates for completing the punch list items and the assurance that these items were "vigorously in progress at this very moment to fulfill Overstreet's contract obligations." You promised in this letter to submit to the Government, on or before January 6, 2006, all of the remaining punch list items.
- A Final Inspection, initiated by the Corps of Engineers, was performed on February 28, 2006 and, contrary to the promise of your December 21, 2005 letter, punch list items still remain as noted in the opening paragraph of this letter.

Once again we request that you complete the remaining punch list items. Your repeated failure to finish the remaining punch list items by the dates that were promised clearly demonstrates Overstreet's unsatisfactory performance on this contract. It should be noted that the Substantial Completion Date of January 27, 2004 was contingent upon completion of all remaining deficiencies, punch list items, and project documentation in a timely manner. It is now more than two years later and punch list items remain. Overstreet has clearly failed to complete the punch list items in a timely manner.

Any questions regarding this matter may be addressed to the undersigned at (219) 923-1763.

Sincerely,



Douglas M. Anderson, P.E.
Contracting Officer's
Representative

Sandy Mordus

From: "Terry Hodnik" <thodnik@niesengineering.com>
To: "Jim Pokrajac" <littlecal@nirpc.org>
Cc: "John Bach" <jbach@highland.in.gov>; "Bob Craib" <robert.a.craib@lrc02.usace.army.mil>
Sent: Tuesday, March 28, 2006 11:02 AM
Subject: 5th Street Mechanical Trash Rack Status

Jim:

You wanted to be kept informed of status of the repair. I just got a call from Mike Pipta of Highland. The Manufacturer's repairman from Vulcan was brought in from Iowa by the Town of Highland. He was on-site today and they think they have isolated the problem. They believe that when wires were pulled into the conduit by Austgen, a sub to Overstreet, that a wire was nicked and is now going to ground. So they bypassed, or jumpered, the bad wire and the mechanical trash rack ran fine. The wire needs to be replaced and Mike Pipta has asked Austgen to come out and look at the situation. Mike's opinion is that this will not be easy because the wire in question is in a conduit chock full of other wires. We have no estimate from Austgen yet and we do not know the cost of the service visit from Vulcan yet. Assuming it is a bad wire, it would seem to be a Contractor problem to pay for the repair as well as the service visit.

Terry Hodnik, P.E.
NIES Engineering, Inc.
2421 173rd Street
Hammond, IN 46323
thodnik@niesengineering.com
Phone: (219) 844-8680
Fax: (219) 844-7754

Sandy Mordus

From: "Terry Hodnik" <thodnik@niesengineering.com>
To: "Jim Pokrajac" <littlecal@nirpc.org>
Cc: "John Bach" <jbach@highland.in.gov>; "Bob Craib" <robert.a.craib@lrc02.usace.army.mil>;
 "Mike Austgen" <mike@austgen.com>
Sent: Wednesday, March 29, 2006 3:09 PM
Attach: P3290001.JPG; P3290002.JPG; P3290003.JPG; P3290004.JPG
Subject: Report No. 2 on the 5th St Pump Stn Mechanical Bar Screen Problem

Jim:

The Town had Austgen Electric out to the 5th Street Storm Water Pump Station today. Mike Pipta called him out. Mike Pipta, the electrician from Austgen Electric, Bob Craib and I all met on site to review the situation. The electrician was able to confirm that the wire in question was grounded inside the conduit between the Control Panel adjacent to the mechanical bar screen and a junction box on the side of the bar screen unit. I have attached some photos taken today to this email. Some other observations made by the electrician for Austgen are as follows:

1. The electrician attempted to pull out the wire from the inside of the control panel and 2/3 of its length came out freely. The end was bare and the plastic insulation looked like it had been stretched to a breaking point.
2. He then attempted to pull the wire out from the other end of the conduit, estimating the length still inside the conduit as about 3 ft. The remaining wire would not pull out or even budge. There is a lot of speculation of what might have happened inside the conduit as the problem. One thought is that there are too many wires jammed in the conduit, and this wire got nicked or stretched on installation. There are two, 90deg conduit bends and an offset bend between the two pulling points. Another thought is that some concrete splatter may have gotten into the conduits during construction. The Austgen electrician is to check the size and number of wires pulled vs the size of the conduit to see if it was up to code. The conduit does appear to be jammed tight with wires.
3. The electrician removed a seal on a wye fitting below the control panel and sucked out the seal material with a shop vac. Some water came out of the conduit as well. So there is speculation that corrosion may have caused the wires to bind up.
4. The electrician attempted to look at the possibility of pulling in a new wire but could not do it because of the existing tight pack of wires.

Solutions amount to providing a new conduit between the Control Panel and the junction box and installing replacement wiring in between. Initially we talked about a new conduit connection to the control panel box in the side, but later decided to just remove a portion of the existing conduit and reuse the hole in the bottom of the control panel. New conduit and wiring would run between the control panel and the junction box without penetrating the concrete roof of the storage tank as it does now. The "guesstimate" for the fix is about \$1500 for the rewiring plus some amount for Austgen's visit today plus another amount for calling out the Vulcan Rep from Iowa.

In any case, the current problem does not seem like it is related to any maintenance or operational procedure by the Town, but rather installation work by the Contractor.

Terry Hodnik, P.E.
 NIES Engineering, Inc.
 2421 173rd Street
 Hammond, IN 46323
 thodnik@niesengineering.com
 Phone: (219) 844-8680
 Fax: (219) 844-7754

3/29/2006

Sandy Mordus

From: "Sandy Mordus" <smordus@nirpc.org>
To: <imad.samara@usace.army.mil>
Cc: "Moore, Gregory LRC" <Gregory.Moore@lrc02.usace.army.mil>
Sent: Thursday, March 16, 2006 12:03 PM
Subject: Landscaping Phase II - Implementation of "turf-type" grass

Imad:

Currently, the Landscaping Phase 2 contract has been awarded and it is my understanding that the next step will be to defoliate the existing "turf type" grass on the levees in Gary . Over the next several years, we will plant and implement native grasses. In a conversation with the city of Gary, who will be responsible for the operation and maintenance of this project, it appears they would prefer leaving the existing grass and mowing it. If we implement the native grasses, it is my understanding that controlled burns would be required as part of the contract and that additional controlled burns will be required as part of the ongoing O&M procedure. Gary felt it would be easier to continue mowing the levees rather than trying to coordinate controlled burns.

Currently, the Development Commission has been mowing the levees twice a year for a total cost of \$13,000. Not only is this easy to coordinate but it affords a regular opportunity to easily inspect the levees twice a year immediately after the mowing is completed.

Would it be possible to modify this contract to eliminate the planting of native grasses? If so, what is required on the part of the Development Commission to implement this change? Please let me know what is required. Thanks.

Jim Pokrajac, Agent
Land Management/Engineering

RECEIVED APR 03 2006



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

REPLY TO
ATTENTION OF

29 March 2006

Planning, Programs and
Project Management Division

Mr. Jim Pokrajac
Agent, Land Management and Engineering
Little Calumet River Basin Development Commission
6100 Southport Road
Portage, Indiana 46368

Dear Mr. Pokrajac,

Thank you for your recent e-mail, forwarding a request by the City of Gary, asking us to consider replacing the native grasses and forbs called for in our east reach levee landscaping plan with turf grasses. Your assumption is correct, that periodic burning is the best way to manage native vegetation, although mowing management, or a combination of burning and mowing management, could also suffice. For example, one quarter of the Gary levee sections could be burned each year, with each section being burned every four years. Whatever management regime is ultimately chosen, specific information would be detailed in the Operation and Maintenance (O&M) manual. Simple monitoring would determine if the chosen schedule needed to be adjusted. The chosen management regime will be based primarily on effectiveness, with consideration given to cost, convenience and ease of application.

We do not expect native landscaping to interfere with levee inspections. First, the levees will be regularly burned, exposing levee surfaces to inspection more clearly than mowed turf grass would. Also, native species are typically bunch formers, rather than sod formers, reducing interference with inspections. The cities of Muncie, Indiana and Houston, Minnesota inspect their levees several times each year. Even though both cities manage their levees by means of annual spring burns, these inspections routinely occur when the prairie plantings are in full growth. Neither city nor state inspectors had complaints with respect to native vegetation hindering their inspections. If annual burning is not feasible for any reason, spring (preferably) or fall mowing of the native plantings could be performed if necessary to help reveal any structural deficiencies.

You may recall that we covered the levee inspection issue in some detail earlier when the Chicago District addressed a series of questions concerning native levee landscaping that came from Little Calumet River Basin Development Commission member Mr. Steve Davis and several IN-DNR staff members back in November of 2003. Please refer to that correspondence for a more complete answer to this question, and do not hesitate to notify us if you need another copy.

With respect to the main point of your e-mail, to request the substitution of native levee plantings with turf grass, our responsibilities under NEPA (Environmental Impact Statement 1982) and Feature Design Memorandum 2 (FDM-2 1991) require us to "develop a detailed revegetation plan for the levees...that would consist of trees, shrubs and herbaceous cover...composed of various species that provide food and/or cover benefits to wildlife. The proposed plantings would provide habitat for 'back yard' wildlife - song birds and small mammals."

Also, our Little Calumet River Landscape Contract 2 was issued on 19 May 2004. The Contractor for that project is scheduled to begin herbicide treatment on 17 April 2006, less than three weeks from now, and will be seeding in the fall beginning on 17 October 2006. These items comprise the bulk of the contract, for which the Contractor has already acquired or reserved materials (herbicide and seed). Rescinding the contract at this late date would be difficult and expensive, not to mention unfair to the Contractor.

If you suspect that the City of Gary's concern could possibly stem from such issues as unfamiliarity with native vegetation management, including both technique and cost, or the commitment of fire protection vehicles and personnel during a burn event, the Chicago District would be happy to engage the services of a natural area burn Contractor to visit the site for a day to address these and other concerns in a presentation to City of Gary officials, members of the LCRBDC, staff of IU-Northwest who are working on native levee landscaping in another portion of the project, as well as anyone else you think might benefit from such a presentation. Please let us know if you and the City of Gary would find such a presentation useful and we will begin immediately to set it up.

Thank you again, Jim, for making us aware of the City's concerns, and also for the opportunity to help alleviate them through a field presentation at the site.

Sincerely,



Susanne J. Davis P.E.
Chief, Planning Branch

PROJECT ENGINEERING MONTHLY STATUS REPORT

For meeting on Wednesday, April 5, 2006

**(Information in this report is based upon latest data provided at the time the report is put together. Dates and costs may vary depending upon ongoing design and/or coordination with the Army Corps)
Report period is from February 23 – March 29, 2006)**

COMPLETED CONSTRUCTION

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

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

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

1. Project completed on December 1st, 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 13th, 1995
Ramirez & Marsch Construction – Contract price: \$2,275,023

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

1. Project completed in September, 1998.
Rausch Construction – Contract price: \$3,288, 102

STATUS (Stage II Phase 3C2) Grant to Harrison: (8A contract)

1. Project completed in December, 1998.
WEBB Construction – Contract price: \$3,915,178

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

1. Project completed on January 6, 2003.
 - Rausch Construction Company – Contract price: \$4,186,070.75

STATUS (Stage III) Chase to Grant Street:

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

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

1. Project completed June 11, 1999
Dyer Construction – Final contract cost: \$1,292,066

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

1. Project completed on October 2, 2002.
 - Dyer Construction Company, Inc. - Contract price: \$1,948,053

STATUS (Stage IV Phase 1 – South) EJ&E Railroad to Burr St., South of the Norfolk Southern RR.):

1. Project completed in November, 2004.
Dyer Construction – Contract price: \$4,285,345

STATUS (Stage IV Phase 1 – North) Cline to Burr (North of the Norfolk Southern RR:

1. IV-1 (North) The drainage system from Colfax to Burr St. North of the Norfolk Southern RR.
 - Current contract amount - \$2,956,964.61
 - Original contract amount - \$2,708,720.00
 - Amount overrun - \$248,244.60 (9%)
2. The only item needed to be completed is to assure turf growth in all areas.
 - Current plantings are for erosion control that will give way to native grasses. Native grasses weren't planned on this contract, but will be needed to be included in an upcoming contract.
 - LCRBDC has a concern with sloughing in the concrete ditch bottom between Colfax and Calhoun.
 - We received a response from the Corps on January 7, 2003, addressing vegetation.
 - Currently, the entire concrete ditch bottom is filled with silt and dirt and has cattails growing. LCRBDC got a cost to clean the concrete bottom of the drainage ditch on August 18 during dry conditions in the amount of \$8,200; and wet conditions in the amount of \$11,640.

A letter will be sent to the COE requesting their participation for a design modification to prevent this sloughing from re-occurring.

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

1. Project completed in November, 1998.
Dyer Construction – Contract price: \$3,329,464

STATUS (Betterment Levee – Phase 1) EJ & E RR to, and including Colfax – North of the NIPSCO R/W (Drainage from Arbogast to Colfax, South of NIPSCO R/W):

1. Project completed in July, 2001.
Dyer Construction. – Contract price: \$2,228,652

STATUS (Stage V Phase 1) Wicker Park Manor:

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

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

1. Project cost information
 - Current contract amount - \$1,873,784.68
 - Original contract amount - \$1,657,913.00
 - Amount overrun - \$215,971 (13%)

The lift station at the Southwest corner of the existing levee that will handle interior drainage has been completed as part of the Stage III remediation project. (See Stage III remediation in this report for details.) Pump station final inspection was held on June 23, 2005, and was found to be satisfactory.

1

2. This pump station is in the process of being turned over to the city of Gary for O&M responsibility.
 - A follow-up inspection was held with the COE and Greeley & Hansen on February 17, 2006. Both stations were found to be satisfactory as per COE plans and specs.

West Reach Pump Stations – Phase 1B:

1. The two (2) pump stations included in this contract are S.E. Hessville (Hammond), and 81st St. (Highland). Overall contract work is completed.
2. Project completed in September 2001.
Thieneman Construction – Contract price: \$2,120,730

North Fifth Avenue Pump Station:

1. The low bidder was Overstreet Construction
 - Current contract amount - \$2,501,776
 - Original contract amount- \$2,387,500
 - Amount overrun - \$114,276 (4.8%)
 - Project is currently 99% completed
2. LCRBDC received a copy of the pre-inspection punch list from Highland on February 2, 2004. (Dated January 29, 2004.)
3. Minor items remain to be completed.
4. A final inspection was held with the COE, town of Highland, and the LCRBDC on February 28, 2006 as part of the O&M turnover.
 - A letter was sent by the Army Corps to Overstreet on March 15, 2006 listing the items remaining to complete the contract.
 - This letter also summarized their contractual obligations, and a sequence of events to complete the punch list. They demonstrated an unsatisfactory performance on this contract and have failed to complete these items in a timely manner.

1-3

ONGOING CONSTRUCTION

Landscaping Contract – Phase II (This contract includes all completed levee segments in the East Reach not landscaped):

1. Contract award date – June 30, 2004
2. Notice to proceed – July 29, 2004 (430 days to complete)
3. Bids were opened on June 30 and the low bidder was ECO SYSTEMS, INC.
 - 104 acres included in bid – 100 to be herbicided, remaining 4 acres are ditches.
4. A walk-thru inspection was held with the COE and the contractor on October 25, 2005.
 - Scope of work – Approximately ½ of East Reach to plant trees, do herbiciding starting spring of 2006, clean up growth in collector ditches, plant new native grasses on levees.
5. An email was sent to the COE on March 16 requesting the contract be modified to leave the “turf type” grass and eliminate the proposal for native grasses (No herbiciding).
 - In a conversation with Gary, it appears they would prefer mowing to controlled burns; levee inspections would be easier (2 mowings per year) and could be done after mowings; and no future controlled burns would be required.
6. Monthly Construction Status Report from COE (Refer to Handout)

4

STAGE III Drainage Remediation:

1. Project completed on June 23, 2005.
 - A. Dyer Construction – Contractor
 - B. Final Inspection – June 23, 2005
 - Received partial O&M manuals and spare parts from the COE on July 13, 2005; received remainder of manuals & spare parts on August 23.
 - Received as-built drawings from the COE on December 23, 2005. (This is the last item that was needed to turn over the (2) pump stations to Gary for O&M responsibility)
 - **Agreement for O&M turnover to Gary is being finalized (Ongoing)**
 - C. Project money status:
 - Original contract estimate - \$1,695,822
 - Original contract amount - \$1,231,845
 - Current contract amount - \$1,625,057
 - Amount overrun - \$70,765 (4%)

STATUS (Betterment Levee – Phase 2 – Gary) Colfax to Burr St.

1. This portion of construction will be advertised, partially paid for, and coordinated by the City of Gary. The Army Corps will oversee the design and construction to assure compliance with Federal specifications.
 - The Memorandum of Agreement was signed by Gary on December 21, 2005 (Board of public Works), and Gary Stormwater Management Group on December 13, 2005.
 - The fully executed agreement was forwarded to Gary on January 6, 2006.
 - The project was advertised on December 7, 2005.
 - The pre-bid meeting was held on December 19, 2005 at 10 a.m. at the Gary City Hall (only attending contractors are eligible to bid).
 - A second pre-bid meeting was held on January 5, 2006 because Gary felt there was not enough notice for the contractors to attend at the first pre-bid.
2. Bid opening was held at the Board of Public Works meeting on January 18, 2006.
 - Apparent low bidder is Superior Construction with a bid of \$2,492,245
 - Evaluations are ongoing to see where the additional money necessary will come from or to possibly re-visit the bids. (Ongoing)
 - **The Gary Board of Public Works signed the “Notice of Award of Bid” at their February 1, 2006 Board of Public Works meeting.**
3. A coordination meeting was held at GSD Headquarters on March 3 with the COE, GSD, Superior Construction, and the LCRBDC to discuss final contract cost and how the overage will be divided between the LCRBDC and Gary.
 - Minutes of the meeting were finalized and distributed on March 21, after being reviewed by all attendees.
4. Agreement has been submitted to the Gary Stormwater Management District and the Gary Board of Public Works for their approval. Those Board meetings were scheduled for March 28 and 29, respectively. Additional funding was approved at the GSWMD on the 28th and, with that in hand, the Gary Board of Public Works voted to sign the agreement.
 - Emails were sent between the COE, LCRBDC, and Gary, whereby Gary indicated that before a Notice of Award can be given, Gary needs to issue an “negotiated amendment” which would include all changes.

- **LCRBDC sent an email on April 4 indicating money cannot be drawn until we have the signed MOA, Addendum #1 from Gary Board of Public Works, and emphasizing the importance of time.**

8F

STATUS (Betterment Levee – Phase 2 - LCRBDC) North of the NSRR, East of Burr St., and ½ mile East, back South over RR approx. 1400

1. This portion of construction will be advertised, coordinated, and facilitated by the Corps and LCRBDC as a betterment levee.
2. The COE submitted plans for final review on January 12, 2006 with a final submittal with comments to the COE no later than January 26, 2006; and to award by July 2006.
 - LCRBDC distributed all plans & specs to affected entities on January 12, 2006
 - Comments received from Wolverine Pipe Line on January 27, 2006 and these were forwarded to the COE on January 30.

STATUS (Stage V Phase 2) Kennedy Avenue to Northcote

1. A field trip was held on January 31, 2006 (This includes a field walk-thru to preliminarily review construction and discuss ongoing design issues, alignment, and type of construction).
 - The COE had an initial "In house" meeting for V-2 on January 17, 2006. This was to review current design & to familiarize new "team members" with this segment.
 - The COE suggested having four separate coordination meetings by the end of March to help to gather engineering data, or to help coordinate for V-2.
2. Buckeye Partners:
 - Received comments from Buckeye Partners regarding pipeline impacts due to our construction on November 4, 2005, and submitted them to the Corps on November 9, 2005.
3. NIPSCO pipeline corridor east of the Norfolk Southern Railway Company, west of Kennedy Avenue. (LCRBDC received conceptual drawings from the Corps on May 11, 2005)
 - A. Letters have been sent to all of the pipeline companies requesting their comments, engineering review, easement agreement with NIPSCO, and cost information.
 - Follow-up letters were sent to all of the owners of the pipelines on October 18-Oct. 19 requesting comments on design and to provide cost estimates.
 - Supplemental follow-up letters were sent to pipelines who had not yet responded on January 19, 2006 (Marathon, B.P. Amoco, and Explorer)
 - B. With the engineering for plans and specs to re-start it is the intent to gather all information from the pipeline companies and forward it to the COE as they come in, in order to incorporate this data and their design concerns, into the plans.
4. Currently, NIES Engineering (Highland side), and SEH Engineering (Hammond side) are contracted out to assist LCRBDC with utility coordination. Excluded is the pipeline corridor coordination – LCRBDC is doing.
5. LCRBDC discussed the possibility of modifying design west of the NSRR by using the "sheet pile & bridging" technique to eliminate the \$450,000 directional bores for (2) 8" pipelines.
 - A letter was sent to the Conoco Phillips Pipeline Company on March 20, 2006 enclosing previous correspondence from the past year and trying to schedule a field meeting in mid-April.
 - This was sent to their main office in Missouri rather than coordinating locally.

9-10

6. An email was sent on January 26, 2006 from INDOT to all affected parties indicating that their project from Ridge Road to the Little Calumet River on Indianapolis Blvd. will be on hold until we construct our line of protection in this area.
 - Emails have been sent by INDOT, United Consulting Engineers, and the Coe discussing delays because of the lack of LCRBDC funding.
7. A meeting was held with North Township on December 20 (Frank Mrvan Jr) to discuss, and familiarize him with our project and to present current design and options being considered.
 - A meeting was held on February 2, 2006 to make a presentation to the North Township Trustee and their Board
 - A letter was sent to the COE on February 7, 2006 with a list of concerns from North Township that was derived from the meeting.
8. A suggestion was proposed by Commissioner Bob Huffman (Engineering Committee Chairman) to re-align the levee west of tri-State Bus Terminal (on Cabela's property) to avoid the expense of sheet piling and the easements for construction on tri-State property. Forwarded to the COE for consideration on January 19, 2006.

STATUS (Stage V Phase 3) Cabelas' Retail, Inc. (Now combined with Stage V Phase 2 as one contract)

1. Refer to Land Acquisition report for status of appraisal.
 - (Stage V-3 will now be advertised with Stage V-2 as one contract)
2. The Army Corps submitted a conceptual design modification to Cabela's, INDOT, and the LCRBDC on March 14, 2006 requesting comments no later than March 22.
 - The LCRBDC responded to the COE on March 17, and agreed to moving the levee north from Wicker Park, and west from Tri-State Bus Lines.
 - This would save money on real estate and construction costs, and would help expedite the project due to lack of State funds.
3. INDOT requested current information on the line of protection north of the river, and east and west of Indianapolis Blvd. This was sent to them on March 2, 2006.

11-13

14-15

16

STATUS Stage VI-1 (South) South of the river – Kennedy to Liable

1. Illinois Constructors Corporation was awarded the contract on September 30, 2004.
 - COE estimate (without profit) - \$6,141,815.00
 - Low bid (awarded amount) - \$6,503,093.70 (Awarded September 30, 2004)(6% over estimate)
 - Current contract amount \$7,378,033 (13% over estimate)
 - 700 days to complete from contractor receiving his "Notice to Proceed" (November 4, 2004) Date is currently March 4, 2007.
2. Monthly Construction Status Report from the COE (Refer to Handout).
3. A weekly progress meeting was held on March 15, 2006 with the COE and Illinois Constructors. (Copy of total report available upon request)
 - The current contract is currently ahead of schedule.
 - Contractor anticipates entire line of protection to be completed no later than September 2006, and the entire project in the spring of 2007.
4. There was a suspicion that there was a survey or elevation error of 1' low for the completed concrete I-wall and the North Drive Pump Station.
 - Received an email from the COE on February 27, along with a letter from both the surveyor and contractor stating only portions of the pump station were low.

17-18

19-21

STATUS (Stage VI – Phase 1-North) Cline to Kennedy – North of the river

1. The bid results for this project were posted on August 24, 2005 and the low bidder is the Illinois Constructors Corporation.
 - The bid amount is \$5,566,871, and the Army Corps estimate (without profit) is \$6,525,253. (Official award was September 30, 2005)
 - The bid is \$958,382 (or 14.7%) under the Federal estimate
 - **Current scheduled completion date is July 2, 2007.**
 - **Approximately 3% of the construction is completed to date.**
2. Coordination with the Lake County Highway Dept., LCRBDC, and the Army Corps will be required for the upcoming construction by the county for their bridge and our construction on and adjacent to Kennedy Ave.
 - The county is only re-building the existing bridge deck.
 - COE agreed we could accept the cost for the incremental difference for a 10' cantilevered recreational trail, include the concrete closure slabs, engineering costs, and minor clay work. This will be facilitated after the contract is awarded by Lake County Highway. The COE will contract out separately with their scope of work.
3. **A construction status meeting was held on March 15 to review coordination, status, submittals, and scheduling. (Full report of minutes available upon request).**
4. **Monthly Construction Status Report from the COE (Refer to Handout)**

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STATUS (Stage VI – Phase 2) Liable to Cline – South of the river:

1. Dyer Construction was awarded the contract on July 29, 2005.
 - Corps estimate (without profit) - \$5,720,757
 - Low bid (awarded amount) - \$4,205,645 (approx. 26% under Corps estimate)
 - 540 days to complete from contractor receiving his "Notice to Proceed" (August 11, 2005)
 - Current construction completion date – February 2, 2007
2. Project Description
 - Construct a levee protection system consisting of 8,250 lineal feet of earthen levee, 1,600 lineal feet of steel sheet pile floodwall, (3) gatewell structures, culverts & sewer appurtenances, and miscellaneous tree planting and seeding.
3. NIPSCO utility coordination
 - A. An executed agreement was submitted to NIPSCO on November 10, 2005 in the amount of \$25,907.
 - Scope of work includes utility re-locations west of Cline Avenue and new pole installations on Liable and Kleinman.
4. **Monthly Construction Status Report from the COE (Refer to Handout)**
5. Contractor has provided submittals to the COE and has approvals. All clearing and grubbing have been completed as of February 10, 2006.

STATUS (Stage VII) Northcote to Columbia:

1. The final contract with Earth Tech to do the A/E work for this stage/phase of construction was signed and submitted by the COE on December 21st, 1999.
2. The schedule shows a June, 2008 contract award and a July, 2009 Completion.
3. All survey work north of the river has been completed.
4. Survey work south of the river is 90% completed (27 residential properties)
 - **Refer to monthly Land Acquisition Report**
 - **A field walk-thru was held with the LCRBDC, the appraiser, and the COE reviewer on February 23 to field determine if any changes could be done to reduce impacts to residents and costs to the LCRBDC.**

- Five of eleven suggestions were approved by the COE on March 16 and are being implemented by the surveyor (Refer to Land Acquisition Report).

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

1. The COE indicated at the October 20 Real Estate meeting that they will be focusing engineering on Stage VIII until April, 2006 in order to assure real estate acquisitions are current and accurate.
 - The COE has set a goal to provide final real estate plans by January 6, 2006.(Ongoing)

Mitigation (Construction Portion) for "In Project" Lands:

1. Bids were opened on September 17, 2002, and Renewable Resources, Inc. (from Barnesville, Georgia) is the successful bidder.
 - The current contract amount is \$1,341,940.96
 - Amount overrun - \$420,838 (above their bid). This is approx. a 46% overrun.
2. A final inspection was held on both sites on May 12, 2004, with the Corps, LCRBDC, project A/E, and Renewable Resources and was found to be satisfactory for this portion of the overall project.
3. The 24 month monitoring period began on May 15, 2004 (Cost - \$3,000/month)

West Reach Pump Stations – Phase 1A:

1. The four (4) pump stations that are included in this initial West Reach pump station project are Baring, Walnut, S. Kennedy, and Hohman/Munster.
2. Low bidder was Overstreet Construction. Notice to proceed was given on November 7th, 2000 – 700 work days to complete (Anticipated completion date is August 26, 2004)
 - Current contract amount - \$4,974,280.67
 - Original contract amount - \$4,638,400
 - Amount overrun – \$335,880 (7.2%)
3. **Monthly Construction Status Report from the COE (Refer to Handout).**
 - Refer to this Report for status on all four (4) stations and the status of the "termination of contract".
 - Most recent action was October 21, 2005 whereby a revised termination of default memo was sent out for verification and signatures.

Griffith Golf Center (North of NIPSCO R/W, East of Cline Avenue)

1. LCRBDC was directed by the COE to obtain a flowage easement on the entire property in a letter dated October 7, 2005.
 - An e-mail was sent to the COE on November 1, 2005 informing them that the appraisal process has begun using Ted Oetsel and that he has all the information needed to complete this appraisal. (Refer to Land Acq. Report)
2. An informational meeting was held with the DNR, COE, LCRBDC, Griffith, and the owner (Bob Farag) on February 1, 2006.
3. A letter was received from the COE on January 13, 2006 indicating any construction shall not compromise our project in any manner and that compensatory flood storage would need to be provided.

Griffith Levee (EJ&E RR to Cline Avenue, north of River Drive)

1. An email was sent to Lawson-Fisher on December 27 informing them to proceed with their scope of work at a cost not to exceed \$9,700.
 - Scope includes determining what is required by FEMA to certify this line of protection.

- A meeting was held with the COE, FEMA, IDNR, LCRBDC, and Lawson- Fisher to discuss the scope of work. (This was held at the FEMA office in Chicago on February 9, 2006 at 10:00 a.m.)
- 2. **Lawson Fisher established a date of inspection of the levee on March 28 and proposes to have a draft report on what is required for levee certification no later than April 14, 2006.** **23**
 - **LCRBDC will have an opportunity to review the draft report and to walk the site to discuss their recommendations.**

General

1. INDOT coordination for Grant St. & Broadway interchanges with I-80/94.
 - A. INDOT sent a letter to the COE on April 15th, 2004, indicating they worked out an agreement with the COE whereby flood control features will be included in their contract at no cost to the Corps, which could be credited to the LCRBDC for that portion constructed for the flood control of the Little Calumet River.
 - LCRBDC had a call with INDOT on March 17, 2005 whereby INDOT projected a potential cost of approx. \$650,000 at the interchanges for flood protection related features. (This would be creditable).
 - A follow-up e-mail was sent to INDOT on October 27, 2005 requesting the construction status of these interchanges and to provide us a detailed cost breakdown that we could use for crediting. (Ongoing)
2. **The Town of Highland requested that general information regarding our project, and the impacts to Highland, be forwarded to the new Highland Town Manager (Rich Underkofler)**
 - **LCRBDC sent a letter, along with current mapping showing construction in Highland, flood plain mapping, construction scheduling, and contributions list to our project on March 13, 2006.** **24-25**



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

March 15, 2006

REPLY TO
ATTENTION OF

Technical Services Division
Calumet Area Office (1180-1-1q)

SUBJECT: Contract No. DACW27-01-C-0008
Little Calumet River
North Fifth Avenue Pump Station Rehabilitation
Lake County, Indiana
Final Inspection

Mr. Benjamin J. Overstreet
Overstreet Engineering & Construction, Inc.
4220 N. Davis Highway Bldg. B
Pensacola, FL 32503

Dear Mr. Overstreet:

A final inspection of the subject contract was performed on February 28, 2006 with representatives from the US Army Corps of Engineers, the Town of Highland, Little Calumet River Basin Development Commission, and Overstreet Engineering and Construction, Inc. During the inspection, it was determined that the following items remain to be completed:

1. Provide As-Built Drawings
2. Provide Remaining Electrical Spare Parts
3. Demobilize from the site, remove the trailer and its utility connections, and restore the site to pre-work conditions. The perimeter fence may be left in place.

This contract was scheduled to be complete on January 27, 2004, over 25 months ago, and these punch list items still remain. Below is a summary of the events and correspondence issued since that date documenting your continued failure to complete the remaining punch list items required to fulfill the contract:

- Your letter of February 17, 2004 requested that the Government notify you if we were not in agreement with your assumption of a Substantial Completion Date of January 27, 2004.
- A Preliminary Inspection was conducted on March 2, 2004. Overstreet provided a binder during this inspection that listed the remaining unfinished work and deficiencies. During the inspection, additional

punch list items were identified that we sent to your office by facsimile on March 4, 2004.

- Our letter, dated March 10, 2004, sent in response to your letter of February 17, 2004, indicated that the Government's Quality Assurance Representative witnessed the start up of the final three major pumps on January 27, 2004. On February 29, 2004, representatives from the Corps of Engineers and the Town of Highland were at the site and confirmed that the pumps were in operation. On March 4, 2004, we provided your field personnel with our punch list of remaining items. Our March 10, 2004 letter noted that the work was considered substantially complete as of January 27, 2004, contingent upon completion of all remaining deficiencies, punch list items, and project documentation in a timely manner. Overstreet was instructed to notify the Corps of Engineers when the work was complete and to schedule a Final Inspection.
- Our letter of August 3, 2004 provided you with our revised March 4, 2004 punch list with completed items shown in "strikethrough" font. A copy of your March 2, 2004 list of remaining unfinished work and deficiencies was also enclosed. We repeated our request to complete the remaining work and schedule a Final Inspection.
- Almost 18 months after the last pump was installed, Overstreet still had not completed the punch list items. We issued a SHOW CAUSE NOTICE, dated August 16, 2005, that indicated that: "Since you have failed to complete the Punch List Items, and submit the final as-built drawings and final pump station operation and maintenance manuals within the required terms of contract DACW27-01-C-0008, the Government is considering terminating the contract under the provisions of default of this contract." An update of our March 4, 2004 punch list with completed items in "strikethrough" font was enclosed.
- Your letter of August 26, 2005 sent in response to our August 16, 2005 SHOW CAUSE NOTICE indicated that you had "full attentions of complying with the contract closeout requirements." Your letter established completion dates for some of the punch list items as follows:

<u>Item</u>	<u>Promised Completion Date</u>
Final As-Built Drawings	October 14, 2005
Final O & M Manuals	September 30, 2005
Punch List Item #37 (Nameplates)	October 14, 2005
Item #38 (Elect. Spare Parts)	September 30, 2005
Item #51 (Seal Drywell Conduit)	October 14, 2005
Item #65 (Demobilize)	After Government Approval of Punch List Items

In closing you stated that you would: "stay in touch with my Project Superintendent to make certain that we meet our committed deadline dates."

- In our letter of September 2, 2005, the Government responded to your letter, dated August 26, 2005, and accepted your proposed completion

dates. In this letter we noted that some remaining punch list items were not provided with completion dates and requested that a schedule be provided for all the remaining work. If you failed to complete the items by the completion dates established we requested that you present, in writing, any reasons why the Contract should not be terminated under the provisions for default.

- In our letter of December 1, 2005, we documented that punch list items still had not been completed, including the items with promised completion dates listed above. It was noted that more than six weeks had past since the time of the latest promised completion date. We requested that you explain your continued failure to perform and to provide us with revised completion dates for the remaining punch list items.
- Your letter of December 21, 2005, sent in reference to our letter of December 1, 2005, offered your apology for not meeting the promised completion dates for completing the punch list items and the assurance that these items were "vigorously in progress at this very moment to fulfill Overstreet's contract obligations." You promised in this letter to submit to the Government, on or before January 6, 2006, all of the remaining punch list items.
- A Final Inspection, initiated by the Corps of Engineers, was performed on February 28, 2006 and, contrary to the promise of your December 21, 2005 letter, punch list items still remain as noted in the opening paragraph of this letter.

Once again we request that you complete the remaining punch list items. Your repeated failure to finish the remaining punch list items by the dates that were promised clearly demonstrates Overstreet's unsatisfactory performance on this contract. It should be noted that the Substantial Completion Date of January 27, 2004 was contingent upon completion of all remaining deficiencies, punch list items, and project documentation in a timely manner. It is now more than two years later and punch list items remain. Overstreet has clearly failed to complete the punch list items in a timely manner.

Any questions regarding this matter may be addressed to the undersigned at (219) 923-1763.

Sincerely,



Douglas M. Anderson, P.E.
Contracting Officer's
Representative

Sandy Mordus

From: "Sandy Mordus" <smordus@nirpc.org>
To: <imad.samara@usace.army.mil>
Cc: "Moore, Gregory LRC" <Gregory.Moore@lrc02.usace.army.mil>
Sent: Thursday, March 16, 2006 12:03 PM
Subject: Landscaping Phase II - Implementation of "turf-type" grass

Imad:

Currently, the Landscaping Phase 2 contract has been awarded and it is my understanding that the next step will be to defoliate the existing "turf type" grass on the levees in Gary. Over the next several years, we will plant and implement native grasses. In a conversation with the city of Gary, who will be responsible for the operation and maintenance of this project, it appears they would prefer leaving the existing grass and mowing it. If we implement the native grasses, it is my understanding that controlled burns would be required as part of the contract and that additional controlled burns will be required as part of the ongoing O&M procedure. Gary felt it would be easier to continue mowing the levees rather than trying to coordinate controlled burns.

Currently, the Development Commission has been mowing the levees twice a year for a total cost of \$13,000. Not only is this easy to coordinate but it affords a regular opportunity to easily inspect the levees twice a year immediately after the mowing is completed.

Would it be possible to modify this contract to eliminate the planting of native grasses? If so, what is required on the part of the Development Commission to implement this change? Please let me know what is required. Thanks.

Jim Pokrajac, Agent
Land Management/Engineering



CITY OF GARY

BOARD OF PUBLIC WORKS AND SAFETY

SCOTT L. KING
Mayor

GERALDINE B. TOUSANT
Deputy Mayor

401 Broadway - Suite 300
Gary, Indiana 46402-1236
(219) 881-1310
Fax: (219) 882-7371

BOARD MEMBERS

Geraldine Tousant
President

Husain Mahmoud
Vice-President

Hamilton Carmouche
Secretary

Gwen Malone
Director

NOTICE OF AWARD OF BID

You are hereby notified that during the February 1, 2006 Board of Public Works Meeting, the Board approved to award the bid for the Burr Street Betterment Levee Phase 2 to Superior Construction Co., Inc. in an amount not to exceed \$2,492,245.00.

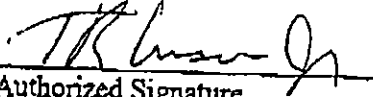
Should you have any questions, please feel free to contact us at 219-881-1310.

Department of Public Works
(Owner)

By: 
City Engineer

ACCEPTANCE OF NOTICE

Receipt of the above Notice of Award of Bid is hereby acknowledged by:


Authorized Signature

VICE PRESIDENT
Title

This 6th day of MARCH, 2006

**NOTES FROM THE MEETING REGARDING
BURR STREET GARY LEVEE CONTRACT
HELD 10:00 a.m. MARCH 3, 2006
AT THE GARY SANITARY DISTRICT**

Attendees: Jim Meyer, Meyer & Wyatt, Attorney-at-Law
Spike Peller, GSD/GSWMD
Jay Niec, Greeley and Hansen
Ted Cuson, Superior Construction
Imad Samara, Project Manager, USACE
David Druzbecki, USACE
William Biller, LCRBDC Chairman
Dan Gardner, LCRBDC Executive Director
Lou Casale, LCRBDC, Attorney-at-Law
Jim Pokrajac, LCRBDC, Engineering Agent

Following are minutes of the meeting for the Burr Street – Gary coordination meeting held on March 3, 2006 at the Gary Sanitary District.

(1) Dan Gardner explained that the LCRBDC had a Commission Board meeting on Wednesday, March 1, 2006. The Board members discussed added funding needed and voted to participate up to 25% of the bid award and that they would only participate in features critical to flood control.

- a. The LCRBDC distributed the Burr Street Gary Levee Contract – Background & Recommendation sheets that provided information that was derived from, and approved by, the Board of Commissioners at their March 1 meeting.
- b. Gary would then need to pay the balance above the 25%.
- c. We were reminded that this project is a top priority to finish the project in Gary, remove Gary from the flood plain and to allow the LCRBDC to proceed west of Kennedy Avenue as part of the IDNR requirements.

(2) All parties agreed that we would remove the associated recreational trail costs from this project.

- a. Instead of stone, we would seed the top of the levee.
- b. The three items on the bid tabulation sheet referred to under contract item numbers 0013A, B, and C total \$42,690 which would be eliminated from the project.
- c. Superior understands that there will be a substitution for the recreational trail sub-base and stone with topsoil needed for seeding and will adjust the project estimate accordingly.

(3) Lou Casale clarified with Jim Meyer that the bid was awarded at the Gary Public Works meeting on February 1, 2006 in the amount of \$2,492,245.

- a. Superior understands that all parties are in negotiation, with the intent to reduce the total project costs due to funding issues. Once a final agreed to contract amount has been agreed to by all parties, an agreement will be

prepared and signed and a Notice to Proceed will be issued upon delivery by Superior of necessary bond and insurance documentation.

(4) Jim Meyer felt that some of the storm water Best Management Practice Design should stay as a part of the Betterment Levee Infrastructure because State and Federal regulations (Rule 13, Rule 5, etc.) require MS4 utilities to provide storm water treatment to the maximum extent practicable prior to discharge into any water of the State.

- a. The original discussion of saving \$120,000 by eliminating the MS4 is not accurate.
- b. Ted Cuson from Superior Construction indicated that this was only a rounded figure.
- c. The costs for the as-designed construction of the storm water Best Management Practice as indicated on the bid tabulation, contract item numbers 0011AJ, AK, and AL total \$83,010.

(5) Jim Pokrajac suggested modifying the specification which required native grasses on the levees and substituting them with "turf-type" grass.

- a. It was discussed to eliminate native grasses on the levee (contract item #007C) in the amount of \$31,380.
- b. It was also discussed to eliminate seeding ditches (contract item #0010) in the amount of \$42,510.
- c. The Army Corps will send their specifications for "turf-type" seeding to Jay Niec in order to allow Superior the information to re-calculate the incremental difference by using turf grass in lieu of native grasses.
- d. The Army Corps felt that they would need approximately one week to get this information to Gary for review (no later than March 10).

(6) The parties agreed that we could not reduce the cross section of the levee because that would reduce the amount of "suitable fill" that would be used as a planting zone and we would not want to haul away excess material from the site. Cost savings would not be realized.

(7) The Army Corps indicated that the QA/QC could not be eliminated because these are needed for Army Corps assurance that they could certify this levee construction to remove Gary from the flood plain. Imad Samara indicated that if we would eliminate Army Corps responsibility for QA/QC, Gary would need to have a full time representative on site.

- a All parties agreed we could not eliminate QA/QC.

(8) Dan Gardner inquired as to whether or not a construction trailer/field office could be eliminated. It was indicated that there is no provision in the contract for a construction trailer/field office for this project.

(9) On the bid tabulation sheet, under contract item #0022, Superior felt that we should be able to reduce the site management and monitoring (a five year period) from \$109,000.

(10) It was discussed to eliminate all, or at least most, of items 0023AA, AB, AC, and AD which are for herbicide applications for a total amount of \$5,140 (the herbicide would be eliminated by installing "turf type" grasses).

(11) After all parties are in agreement as to what items can be eliminated or modified, Superior Construction will do an amendment to the bid.

a. Ted Cuson will submit an agreed-to change order for approval.

(12) Lou Casale suggested that the LCRBDC Board of Commissioners would need to approve each claim, on a per claim basis, at the monthly Board meetings – All agreed.

a. Bill Biller suggested setting up a non-reverting account

b. Dan Gardner suggested that we would use the original bid amount to pull down funding from the State. The bid amount was \$2,492,245 (25% of this money would be approximately \$623,000).

c. Dan Gardner said we will need a letter from the Army Corps to substantiate the request for the \$623,000. The USACOE agreed.

d. Dan Gardner agreed that he would call the State Budget Director on Monday to inform him that the LCRBDC will be drawing down the 25% cost share of the contract.

e. Jim Meyer stated that the City of Gary will not sign the contract until the LCRBDC has the money in their own account.

f. Lou Casale and Jim Meyer agreed that we will need an amendment to the MOA and that they would work on this together.

(13) Meeting Adjourned

Jim Pokrajac

From: "Sandy Mordus" <smordus@nirpc.org>
To: "Jim Pokrajac" <jpokrajac@nirpc.org>
Sent: Tuesday, April 04, 2006 2:00 PM
Subject: Fw: Burr Street Levee Construction

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

From: Dan Gardner
To: Sandra Mordus
Sent: Tuesday, April 04, 2006 1:58 PM
Subject: Fw: Burr Street Levee Construction

Sandy, I did print this one for Dan.

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

From: James B. Meyer
To: Niec, Jay ; Samara, Imad LRC ; Geraldine Tousant
Cc: Druzicki, David E LRC ; Dan Gardner ; ted@superior-construction.com ; Spike Peller, P.E. ; Louis M. Casale
Sent: Tuesday, April 04, 2006 1:53 PM
Subject: Re: Burr Street Levee Construction

As I have stated several times before, the reason we need to do it by pre-contract amendment to the docs instead of change order is that change orders only occur after the contract has been executed which means Superior would have to sign a contract for the full bgid amount which the City can't let happen because that amount of money has not been appropriated, only the lesser, negotiated amount will be appropriated (among other bad things, it is a crime under Indiana law to execute a contract for which there is no appropriation) by the time the contract is executed. I understand engineers like to think they are lawyers but, trust me, it is best to stick to your specialty. Thus, the Corps, as design engineer, needs to modify the plans and specs to include the changes everyone has agreed to so that the Board of Works can approve them and they and Superior can execute a contract for the new amount and we can get this project built.

James B. Meyer
MEYER & WYATT, P.C.
363 South Lake Street
Gary, IN 46403
Telephone: (219) 938-0800
Facsimile: (219) 939-3070
E-Mail Address: jmeyer@meyerwyattpc.com

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

From: Niec, Jay
To: Samara, Imad LRC
Cc: Druzicki, David E LRC ; Dan Gardner ; ted@superior-construction.com ; James B. Meyer ; Spike Peller, P.E.
Sent: Tuesday, April 04, 2006 12:42 PM
Subject: RE: Burr Street Levee Construction

Imad:

Question: Jay what document directed the contractor to perform all these changes. Was it the minutes of the meeting (you provided) that the COE attended which are attached?

Answer: Yes, however, the items in question were "discussed" by all, and therefore, the contractor provided contract deductions for the "discussed" alternates.

Comment: This would mean that the COE (is) responsible for the changes to the turf grass and removing the rec trail.

Answer: Yes

Question: We were not involved in the MS4 requirements. Is this correct?

Answer: Yes

Superior's letter summarizes items 2b, 5a, 9 and 10 as found in the meeting minutes. I think it would be best to perhaps initiate a change order No. 1 (rather than an addendum – with the City's approval of course) that will list all the approved changes and then provide an "early" set of conformed contract documents.

Let me know how you would like to handle this.

Thanks, Jay

Jay H. Niec
Greeley and Hansen LLC
567 S. Lake Street
Gary, IN 46403

Phone: (219) 938-8354

Fax: (219) 938-8376

Cell: (574) 532-6155

E-mail: jniec@greeley-hansen.com

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From: Samara, Imad LRC [mailto:Imad.Samara@lrc02.usace.army.mil]
Sent: Tuesday, April 04, 2006 11:26 AM
To: Niec, Jay
Cc: Druzicki, David E LRC; Dan Gardner; ted@superior-construction.com
Subject: RE: Burr Street Levee Construction

Jay what document directed the contractor to perform all these changes. Was it the minutes of the meeting (you provided) that the COE attended which are attached. This would mean that the COE responsible for the changes to the turf grass and removing the rec trail. We were not involved in the MS4 requirements. Is this correct? please see my highlighted paragraphs of the attached file.

Imad Samara
Project Manager
U S Army Corps of Engineers
Suite 600



4/4/2006

111 N Canal Street
Chicago IL 60606
(W) 312-846-5560
(Fax) 312-353-4256
(Cel) 312-860-0123

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

From: Niec, Jay [mailto:jniec@greeley-hansen.com]

Sent: Monday, April 03, 2006 4:55 PM

To: Samara, Imad LRC; Geraldine Tousant; Arlene Colvin

Cc: Louis M. Casale; James B. Meyer; Sandy Mordus; Spike Peller; Druzbecki, David E LRC; Dan Gardner; ted@superior-construction.com

Subject: RE: Burr Street Levee Construction

Imad:

The project funding has been approved by the City of Gary and the GSWMD/GSD and Dan Gardner stated that he has begun the process of requesting that the LCRBDC/NIRPC funded portion be transferred to an account from the state for use on this project. I have attached Superior's letter dated March 10, 2006 referring to project deducts as discussed at previous meetings.

The next step is issuance of a notice of award by the COG, however, before this can be completed, the COG needs to issue an "Negotiated Amendment" document in the form of an Addendum that includes all of the changes to the contract documents, i.e. specs, bid form, agreement, drawings etc.

Would you please have your staff assemble the necessary changes to the appropriate sections of the specifications, and drawings, and I will then prepare the addendum.

Thanks

Jay H. Niec
Greeley and Hansen LLC
567 S. Lake Street
Gary, IN 46403

Phone: (219) 938-8354
Fax: (219) 938-8376
Cell: (574) 532-6155

E-mail: jniec@greeley-hansen.com

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8C

4/4/2006



Superior Construction Co., Inc.

General Contractors

2045 East Dunes Highway

Post Office Box 64888

Gary, Indiana 46401-0888

March 10, 2006

Greeley & Hansen
567 So. Lake Street
Gary, Indiana 46403

Attn: Jay Niec

Ref: Burr Street Betterment Levee

Gentlemen:

We herewith submit our proposal to perform seeding work on the referenced project in accordance with Spec Section 02920, as transmitted to us on March 10, 2006, in lieu of the specifications contained in the Bid Documents. Details are as follows:

<u>Item #</u>	<u>Estimated Quantity</u>	<u>Description</u>	<u>Unit Price</u>	<u>Estimated Total</u>
0007C	4.00 ac	Seeding for Levee	\$ 4,604.00	\$ 18,416.00
0010	6.50 ac	Seeding for Ditches	\$ 4,604.00	\$ 29,926.00
0011AJ	1.50 ac	Seeding Calhoun to Burr	\$ 4,604.00	\$ 6,906.00
0011AK	1.40 ac	Erosion Control Blanket	\$ 31,000.00	\$ 43,400.00
0012C	.25 ac	Seeding Ramps	\$ 4,604.00	\$ 1,151.00
0014C	.40 ac	Seeding Ramps	\$ 4,604.00	\$ 1,841.60
0015J	.20 ac	Seeding	\$ 4,604.00	\$ 920.80
TOTAL:				\$ 102,561.40

Our bid total for those same items was \$135,459.00 which makes the savings to the Contract for using the new seed spec \$32,897.60.

Note: the price for erosion control blankets is based on using the new seed spec.

We Are An Equal Opportunity Employer



Superior Construction Co., Inc.

Greeley & Hansen

Attn: Jay Niec

March 10, 2006

Page No. 2

The savings to the Contract, as discussed to date, are summarized as follows:

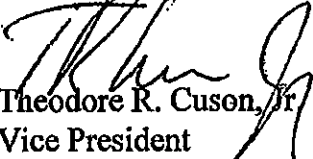
- | | | |
|----|---|---------------|
| 1. | Seed spec revision | \$ 32,897.60 |
| 2. | Eliminate rec trail | \$ 42,690.00 |
| 3. | Eliminate site management and
herbicide applications | \$ 114,140.00 |

Total Savings:	\$ 190,727.00
----------------	---------------

Feel free to contact me, at your convenience, if you have questions or if you require further information.

Very truly yours,

SUPERIOR CONSTRUCTION CO., INC.


Theodore R. Cuson, Jr.
Vice President

TRC/df

cc: R. Draschil

T. Cuson

file

Jim Pokrajac

From: "Sandy Mordus" <smordus@nirpc.org>
To: "Spike Peller" <spike@garysan.com>
Cc: "James Meyer" <jmeyer@meyerwyattpc.com>; <gtousan@ci.gary.in.us>; "Niec, Jay" <jniec@greeley-hansen.com>; <imad.samara@usace.army.mil>; "Druzicki, David E LRC" <David.E.Druzicki@lrc02.usace.army.mil>; <ted@superior-construction.com>; "Jim Pokrajac" <jpokrajac@nirpc.org>; "Arlene Colvin" <acolvin@ci.gary.in.us>; "Louis M. Casale" <lcasale@cwblawfirm.com>
Sent: Tuesday, April 04, 2006 4:30 PM
Subject: Burr Street Levee Construction

To Spike Peller:

I just want to clarify the LCRBDC's ability to draw the State money from Indianapolis to our Burr Street project account. In Jay Niec's email to Imad dated April 3, he states that I have begun the process of requesting the money to be transferred to us. This is not correct. Until I have the signed MOA Addendum #1 from the Gary Board of Public Works, passed last Wednesday, I cannot send the claim to the State Budget Agency. The addendum is our documentation that we need to send, spelling out the need for the \$623,061. Once I have that signed document, I can, and will, immediately send the claim along with the documentation to draw the money to be placed in our local account. Once I send the claim, the State process normally takes about 2-3 weeks for turn-around. This is why it is so imperative that we receive the signed MOA Addendum #1 from the city. I hope this clarifies the step needed so that we can facilitate the contractor beginning work just as soon as possible. Please call if you have any questions.

Dan Gardner
Executive Director

8F

4/4/2006



Little Calumet River Basin Development Commission

6100 Southport Road
Portage, Indiana 46368

(219) 763-0696 Fax (219) 762-1653
E-mail: littlecal@nirpc.org

WILLIAM BILLER, Chairman
Governor's Appointment

ROBERT HUFFMAN, Vice Chairman
Governor's Appointment

ARLENE COLVIN, Treasurer
*Mayor of Gary's
Appointment*

DR. MARK RESHKIN, Secretary
Governor's Appointment

GEORGE CARLSON
*Mayor's of Hammond
Appointment*

STEVE DAVIS
*Dept. of Natural Resources
Appointment*

R. KENT GURLEY
*Lake County Commissioners'
Appointment*

ROBERT MARSALEK
Governor's Appointment

JOHN MROCZKOWSKI
Governor's Appointment

CHARLIE RAY
*Porter County Commissioners'
Appointment*

VACANCY
Governor's Appointment

DAN GARDNER
Executive Director

LOU CASALE
Attorney

March 20, 2006

Mr. Bob Hardt
Conoco Phillips Pipeline Company
P. O. Box 277
Ballwin, Missouri 63022

Dear Bob:

In our conversation last week regarding the Commission's request to do directional bores west of the NSRR and south of I-80/94, I will be forwarding you correspondence over the past year regarding our request. As I explained in these letters to Mr. Gary Hanten, our schedule has been accelerated to complete the entire flood control project to the state line no later than December 2009.

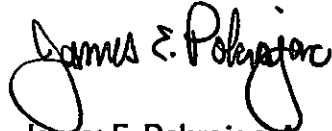
I realize we have been coordinating with Phillips for a number of years but our current schedule projects an award of the contract in this area in May of 2007. The Development Commission has had difficulty in securing as much funding as needed from the state of Indiana and our original proposal of doing directional bores has now been modified to propose using a "structural bridging technique" which would not directly impact your pipelines. We would prefer to use this technique to reduce the impact to your pipelines as well as to save the Development Commission the cost of doing the bores.

I will fax you the previous correspondence: (1) a letter to Gary Hanten dated June 2, 2005 that explains our schedule and requests cost estimates for doing the bores and encloses a letter from the Phillips Pipeline Company dated November 6, 1996 from Jim Noland; (2) a follow-up letter to Gary Hanten dated September 1, 2005 requested the cost estimate for doing the two bores; (3) a letter to Gary Hanten dated October 19, 2005 forwarding Army Corps design information regarding the "bridging technique"; and (4) a January 10, 2006 letter to Gary Hanten indicating the Army Corps ordered me to get update costs in order that they can do a cost comparison by modifying their design from earthen construction to the use of sheet piling with the "bridging technique".

Mr. Bob Hardt
March 20, 2006
Page 2

We are on an accelerated schedule and the Army Corps is currently doing engineering in and around the area of your two pipelines. You indicated to me that we might be able to have a field meeting to discuss this in the middle of April. Please let me know what day and/or time would be good for you and/or your field representatives to review our request. If you have any questions regarding this letter or the letters I am faxing you, or if you need additional information, please contact me at 219/763-0696 or my email jpokrajac@nirpc.org.

Sincerely,

A handwritten signature in black ink that reads "James E. Pokrajac". The signature is fluid and cursive, with the first name "James" and last name "Pokrajac" clearly legible.

James E. Pokrajac, Agent
Engineering/Land Management

/sjm

cc: Gary Hanten, Phillips
Imad Samara, ACOE project manager
John Groboski, ACOE
Eric Sampson, ACOE

Jim Pokrajac

From: "Samara, Imad LRC" <Imad.Samara@lrc02.usace.army.mil>
To: <mark.nienhueser@cabelas.com>
Cc: "George, David" <DGeorge@amercons.com>; "Braun, Ben" <BBraun@amercons.com>; "Allen R. Egilmez (E-mail)" <allene@ucea.com>; "James E Pokrajac (E-mail)" <jpokrajac@nirpc.org>; "Little Calument (E-mail)" <littlecal@nirpc.org>
Sent: Wednesday, March 15, 2006 9:43 AM
Attach: V-2-Levee Align Change Cabela.pdf
Subject: RE: Little Calumet River, Realignment of Floodwall at the property owned by Cabelas in Hammond

Please review the attached PDF for the reasons behind the change and the additional work required to complete the design.
Thanks.

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

From: Samara, Imad LRC
Sent: Tuesday, March 14, 2006 4:48 PM
To: 'mark.nienhueser@cabelas.com'
Cc: 'George, David'; Braun, Ben; Allen R. Egilmez (E-mail); James E Pokrajac (E-mail); Little Calument (E-mail)
Subject: Little Calumet River, Realignment of Floodwall at the property owned by Cabelas in Hammond

Here is the Corps of Engineers (COE) conceptual plan for the realignment of the flood wall between Wicker Park Golf Course and the former Woodmar Country Club property which is now Cabelas. Please let me know if you have any objection to the COE's plan. The COE would like to move ahead and develop the construction plans for this change. I would like to receive your comments in an email form by Wednesday March 22. The next task for the COE is to revise the real estate plans reflecting this change and to start field investigation work such as tree survey and geotechnical borings.

Imad Samara
Project Manager
U S Army Corps of Engineers
Suite 600
111 N Canal Street
Chicago IL 60606
(W) 312-846-5560
(Fax) 312-353-4256
(Cel) 312-860-0123

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

From: Groboski, John A LRC
Sent: Tuesday, March 14, 2006 4:06 PM
To: Samara, Imad LRC
Subject: As requested . . .

John A. Groboski

USACE - Chicago District
111 N Canal St, Suite 600
(312) 846-5417

//

3/15/2006

13-March-2006

SUBJECT: Levee Alignment 5S 59+00 to 78+00
PROJECT: Little Calumet River Flood Control Project, Stage 5 Phase 2 (Cabelas Parcel)

We have some changes to the site conditions for the above product. Our flood control project crossed the Woodmar Country Club golf course. Cabelas purchased the golf course, with the intent of converting the property north of the Little Calumet River to a shopping center and parking area.

With the change in ownership and use of the property, we could propose a different design. Rather than using a floodwall, we could shift the alignment north and use an earthen levee with smooth curves that would be more visually pleasing than the proposed floodwall. This would also allow us to preserve a mature line of trees. Generally speaking earthen levees are less expensive.

As soon as the conceptual design is confirmed agreeable to all parties we will complete the design, In order for us to complete the design of this segment, we would need to gather additional data:

- Survey the locations of the trees that we are trying to preserve to the south of the levee. Based on the aerial image and tree line shown in the existing survey it is difficult to determine exact locations.
- Survey a profile (left overbank, right overbank, and centerline) of the creek we will be crossing to set the gateway structure.
- Survey the channel bottom elevations for the small impoundments on the golf course. We will need to know how much fill will be required. It is assumed that the impoundments are shallow and that we would fill the eastern finger, for construction.
- Boring logs along the proposed alignment.

It is assumed that we require 10 ft from the levee toe, for permanent easement. The permanent easement line is offset an additional 10 ft for the work limits, except in the area of the east finger of the impoundment. It is assumed that the contractor may need to partially fill the impoundment, for the levee.

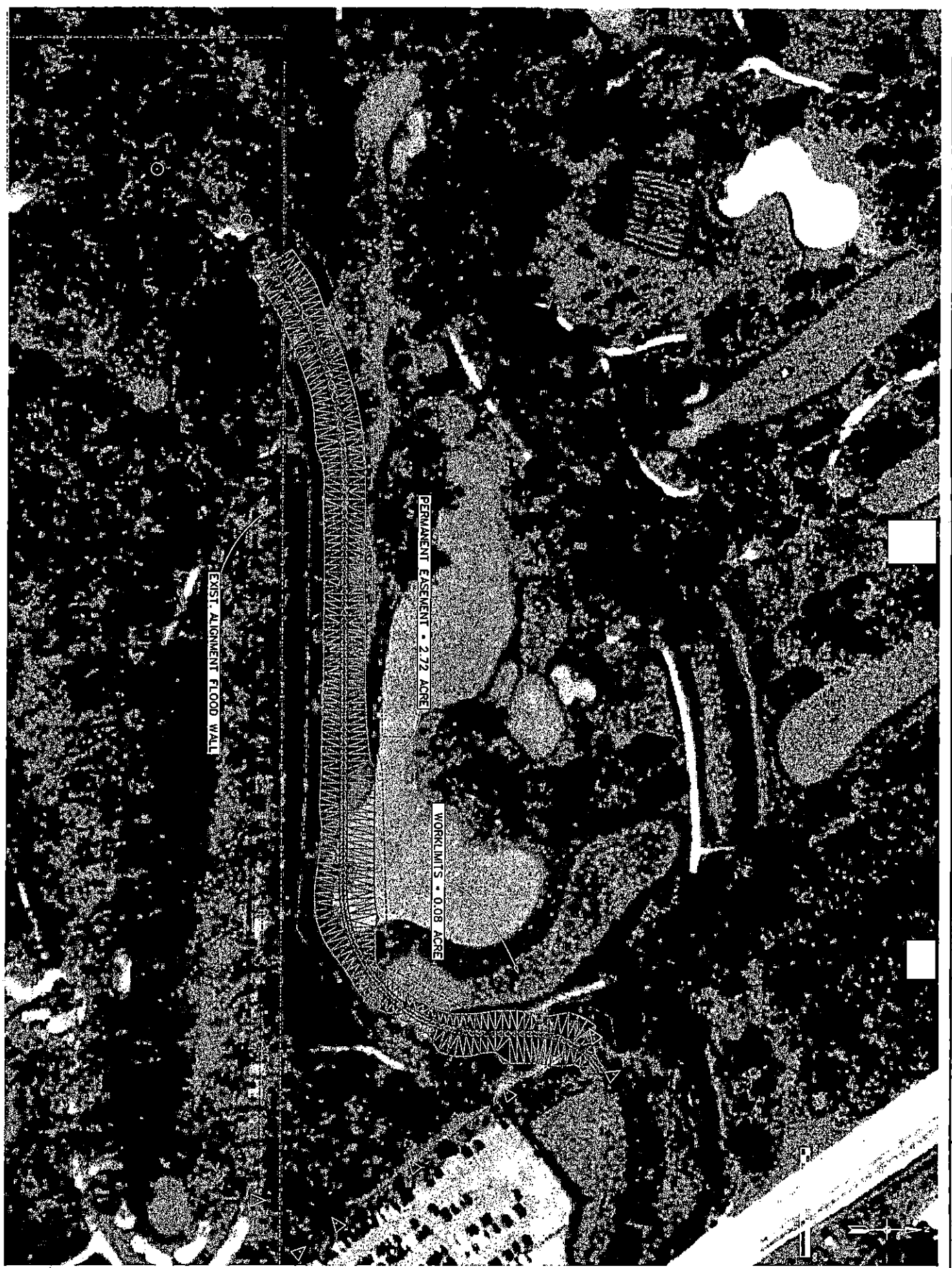
Please let me know, if you have any comments on the proposed changes.

Thanks,

John Groboski
Senior Civil Design Engineer.

13

size (13/16 of 11"x17")



SHEET
REFERENCE
NUMBER
C-01

LITTLE CALUMET RIVER, INDIANNA
LOCAL FLOOD PROTECTION
STAGE 5 PHASE 2

CONCEPTUAL PLAN
ALIGNMENT

U.S. ARMY ENGINEER DISTRICT
CORPS OF ENGINEERS
CHICAGO, ILLINOIS

DESIGNED BY: JAG
DATE: MARCH 2006
DRAWN BY: JAG
SCALE: AS SHOWN
CHECKED BY: JT
SOLICITATION NUMBER:
SUBMITTED BY: DATE:

STUDY	AUTHORITY	DESCRIPTION	DATE APPROVED	STUDY	DESCRIPTION	DATE APPROVED

U.S. Army
Corps
of Engineers
Chicago District



Little Calumet River Basin Development Commission

6100 Southport Road
Portage, Indiana 46368

(219) 763-0696 Fax (219) 762-1653
E-mail: littlecal@nirpc.org

LIAM BILLER, Chairman
Governor's Appointment

JOSEPH HUFFMAN, Vice Chairman
Governor's Appointment

HELEN COLVIN, Treasurer
Governor's Appointment

MARK RESHAKIN, Secretary
Governor's Appointment

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Governor's Appointment

EVE DAVIS
Member of Natural Resources

KENT GURLEY
Member of County Commissioners

JOSEPH MARSALEK
Governor's Appointment

JOHN MROCZKOWSKI
Governor's Appointment

CHARLIE RAY
Member of County Commissioners

CANDY
Governor's Appointment

JOHN GARDNER
Executive Director

JOHN CASALE
Member

March 17, 2006

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

Dear Imad:

GLE has printed out your attached layout for the modified proposal onto the south and southeastern portion of Cabela's. Thank you for providing this in a timely manner. Upon Jim and I reviewing this layout, it appears that we will be locating the levee just north of the tree line at the southern end of the Cabela's property and tie it into the existing levee north of the Tri-State parking lot. I agree that this layout would be a great improvement to what is currently proposed. Following are some general comments for consideration:

- The Development Commission would support this relocation because it would save a considerable amount of money by constructing a levee rather than a floodwall (with form liner finish on both sides) between Wicker Park and Cabela's.

- If we are to implement this design, we will need to modify both the existing appraisals for North Township (Wicker Park golf course) and for Cabela's, and eliminate the Tri-State bus terminal property from needing easements for the construction.

- Many things are pending right now in negotiations with Cabela's and the state of Indiana; and upon future coordination with Cabela's, we would propose to modify our recreational trail layout in the area between Indianapolis Blvd. and Northcote for the north side of the river.

Mr. Imad Samara
March 17, 2006
Page 2

• It is my opinion that four items that are pending regarding the Cabela's property: (1) the relocation of the levee as is shown on your plan; (2) redesign of the overflow area to eliminate the need for a ponding area; (3) the modification of the north line of protection adjacent to Northcote Avenue, whereby we would continue the levee to Northcote rather than installing a sheet pile wall, which was originally intended to avoid an existing green; and (4) in the same general area, we need your evaluation as to whether a sheet pile wall can be installed east of the Baring pump station to the point where the line of protection turns southward (one of the Steve Enger issues).

We would like to discuss these items with you to expedite the implementation of this modification but we will need to have more coordination with Cabela's, and make our presentation of the above-mentioned items to get their concurrence. Please be prepared to discuss this item at our Real Estate meeting.

If you have any questions, please let me know.

Sincerely,



Dan Gardner
Executive Director

/sjm
cc:

Vic Kotwicki
Steve Petrucci
William Biller
Jim Pokrajac
Judy Varnos
Lou Casale



Little Calumet River Basin Development Commission

6100 Southport Road
Portage, Indiana 46368

(219) 763-0696 Fax (219) 762-1653
E-mail: littlecal@nirpc.org

March 2, 2006

WILLIAM BILLER, Chairman
Governor's Appointment

ROBERT HUFFMAN, Vice Chairman
Governor's Appointment

ARLENE COLVIN, Treasurer
Mayor of Gary's Appointment

DR. MARK RESHKIN, Secretary
Governor's Appointment

GEORGE CARLSON
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R. KENT GURLEY
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Governor's Appointment

JOHN MROCZKOWSKI
Governor's Appointment

CHARLIE RAY
Porter County Commissioners' Appointment

VACANCY
Governor's Appointment

DAN GARDNER
Executive Director

LOU CASALE
Attorney

Mr. Kevin Knoke
IN Dept. Transportation
100 N. Senate Avenue
Room N848
Indianapolis, Indiana 46204

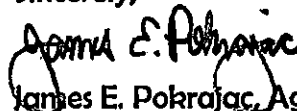
Dear Kevin:

As per our conversation of February 28, I am enclosing the most recent Army Corps drawings for the installation of the lines of protection east and west of Indianapolis Blvd, north of the Little Calumet River. I also enclosed a preliminary plan of the recreational trail layouts in this general area.

All of the above plans have not been finalized and will require coordination to determine the final layouts. Since the Army Corps had completed their design in this area, approximately seven years ago, Cabela's Inc. has purchased the property west of Indianapolis Blvd and north of the Little Calumet River that was formerly the Woodmar Country Club. Design parameters have now changed and the Army Corps, working with Cabela's and the city of Hammond, may make some changes from what I have sent you. When I receive any modifications to what I have sent you, I will forward them accordingly. I realize that Cabela's has requested a modification to the entrance where there is presently a stop light that used to serve the Inter-State Plaza to the east. Our preliminary understanding is that they will be increasing the number of lanes that will provide ingress and egress to this facility. We have not discussed any recreational crossing, at this point, in this area.

I hope this information is helpful and please feel free to contact me to discuss what I have sent you in order to clarify what is currently being reviewed and contemplated. You can contact me at the above address and phone number or my email address is jpokrajac@nirpc.org.

Sincerely,



James E. Pokrajac, Agent
Engineering/Land Management

end.
cc:

Ben Lawrence
Imad Samara, COE
Dan Gardner, Ex.Dlr., LCRBDC

SENT DRAWINGS:

C-3, C-9 (X-3)

C-6, C-16, C-32 (X-2)

MEETING MINUTES #023

LITTLE CALUMET RIVER, HIGHLAND

Weekly Construction Progress: 3/14/06

Next Mtg. 3/28/06 @ 9:00am

Last 2/28/06

Attended By:

Illinois Constructors Corporation – Phil Ross

USACE – Curtis Lee

USACE – Dave Druzicki

Non-Attendees:

Illinois Constructors Corporation – Brian Schallh

Illinois Constructors Corporation – Jeff Rausch

USACE – Doug Anderson

USACE – Scott Babcock

LCRBDC – Jim Pokrjac

1. OLD BUSINESS

1. House keeping

* ② Electric Gate Operators – Jim Pokrjac to discuss with Ahmad.

3. Grimmer & Town of Highland, extra work and utility conflicts at 81st Street.

a. Extra by Grimmer at Highland's request is between Grimmer and Highland (ICC and USACE agree)

b. Utility conflicts will be reviewed and cost(s) may be passed onto Highland (USACE 1/24/06)

2. SCHEDULE

A. LAST TWO WEEKS

1. Form, place resteel, and pour walls and slabs at North Drive pump station

2. Storm sewer work North Drive Pump Station

3. Sheeting 7S 17+70 to 32+10

B. THIS & NEXT WEEK

1. FPS walls North Drive pump station

2. Sheeting 7S 17+70 to 32+10

3. Grimmer, storm sewer work at North Drive Pump Station

4. Grimmer, remove pre-load area.

CRITICAL ACTIVITY: Pump House

C. CONTRACT STATUS

Original contract completion date: 12/12/06 Current contract completion date: 3/04/07

Original contract amount: \$6,503,093.70 Current contract amount: \$7,378,033.30

D. ESTIMATE JOB COMPLETION PERCENTAGE TO DATE: 72%

E. CONTRACT FUNDS

1. See attached S-Curve

3. WEATHER DAYS

Weather Days in April 2005 = 1

Weather Days in May 2005 = 0

Weather Days in June 2005 = 1

7. OUTSTANDING CHANGED CONDITIONS

1. Deletion of pre-load 7-1C
2. Possible claim by ICC and subs for removal of excessive trash found on project site

8. PAY ESTIMATES

- A. PAID TO DATE: \$137,000.00
- B. ESTIMATES PENDING: #4 - \$ 184,240.00

9. SAFETY and SECURITY

10. CQC and TESTING

- A. SOIL -
- B. CONCRETE -
- C. ASPHALT -

11. RFI'S / RFC'S

1. See attached RFI log, RFI's 1 thru 9.

12. RFP'S

13. COORDINATION WITH OTHERS

14. OUTSTANDING ISSUES

15. NEW BUSINESS / OTHER MISC.

- MOTEL 6 DRAINAGE
- B&B PROPERTIES STORAGE - APRIL 15
- B.S. II - LCRBDC
- MENTION TO DAVE - BAD MATL. IN GROUND (EXTRA)

Jim Pokrajac

From: "Druzicki, David E LRC" <David.E.Druzicki@lrc02.usace.army.mil>
To: "Abou-El-Seoud, Shamel LRC" <Shamel.Abou-El-Seoud@lrc02.usace.army.mil>; "Sorn, Linda M LRC" <Linda.M.Sorn@lrc02.usace.army.mil>; "Albert, Dick LRC" <Dick.Albert@lrc02.usace.army.mil>; "Anderson, Douglas M LRC" <Douglas.M.Anderson@lrc02.usace.army.mil>; "Samara, Imad LRC" <Imad.Samara@lrc02.usace.army.mil>
Cc: "Smith, Kent A LRC" <Kent.A.Smith@lrc02.usace.army.mil>; "Rochford, William A LRC" <William.A.Rochford@lrc02.usace.army.mil>; "Groboski, John A LRC" <John.A.Groboski@lrc02.usace.army.mil>; "Sampson, Eric LRC" <Eric.Sampson@lrc02.usace.army.mil>
Sent: Monday, February 27, 2006 6:39 PM
Attach: 6_1SICCsl#031.pdf
Subject: 6-1 South - Update on Surveying Error

I received the attached letter and some full size drawings this afternoon from Illinois Constructors regarding the elevation mistake by their surveyor. The good news is that it appears that only the new pump station has the 1 foot error. The I-wall that was originally thought to be low was found to be in compliance with the exception of one end of the wall which is 0.1 ft low for approx. 20 linear ft. I don't think this is a major concern since the levees are built 6" higher than the wall and the wall runs into the levee for about 70ft in this area.

I will forward ICC's proposed plan to correct the deficiencies as soon as I receive it.

Dave

<<6_1SICCsl#031.pdf>>



February 27, 2006

Dave Druzicki, COR
USACE, Chicago District; Calumet Area Office
906 Griffith Boulevard
Griffith, IN 46319

Subject: U.S. Army Corps of Engineers
Contract No. W912P6-04-C-0007
Little Calumet River South
Elevation Concerns
ICC Project No. 611, Serial Letter #031

Dave;

On Friday, February 24, 2006, Illinois Constructors Corporation (ICC) had DLZ verify the elevations of all in place structures and control. DLZ's findings were that only portions of the new pump station were affected by an incorrect bench mark.

See attached DLZ correspondence and survey results.

Sincerely,
Illinois Constructors Corporation.

Phillip L. Ross
Project Manager



February 24, 2006

Mr. Phillip Ross
Illinois Constructors Corporation
P.O. Box 745
St. Charles, IL 60174

Re: Little Calumet River Flood Protection, Stage VI-1 South Levee, Highland, IN
USACOE Solicitation No. W 912P6-04-B-0004
Elevation Control Issue at DLZ BM#6

Dear Mr. Ross:

DLZ Industrial, LLC (DLZ) has determined that there appears to be an elevation issue with site benchmark No. 6 located near station 42+00 (BM #6). This issue was observed by DLZ survey personnel on February 21, 2006 and was reported to your office the next day February 22nd.

DLZ has undergone extensive research to determine how this issue arose and what items to our knowledge this issue affects. DLZ has reviewed the initial gravity level circuit performed and found that initially all site elevation benchmarks and control points were set correctly and accurately based on the USACOE Vertical Control. Somewhere throughout the project, in an effort to achieve repeatability if our benchmarks were destroyed we perpetuated the vertical control to more permanent features. During the course of the construction work, it appears that one such benchmark (BM #6) was calculated incorrectly. All other benchmarks however were set correctly.

DLZ, subsequent to determining there may be an issue, informed your office and was therefore requested to verify all structures and control in place. DLZ performed this survey on February 23rd and has prepared a report of findings (see attached).

DLZ will await the responses from your office and the USACOE regarding this issue.

Very truly yours,

DLZ INDUSTRIAL, LLC


Kurt S. Schmieg, P.E.
Industrial Division Manager

Enclosures

cc: RPK, SPK, AJT, file

**MEETING MINUTES #001
LITTLE CALUMET RIVER NORTH, HAMMOND**

Weekly Construction Progress: 3/14/06

Next Mtg. 3/28/06 @ 9:00am

Attended By:

Non-Attendees:

1. OLD BUSINESS

2. SCHEDULE

A. LAST WEEK

1. Installation of wick drains by Nilex Corporation

B. THIS & NEXT WEEK

1. Installation of Pre-load material at 7-2C, Grimmer
2. Prep Meeting for stripping
3. Stripping, Grimmer

CRITICAL ACTIVITY: Outlet 172

C. CONTRACT STATUS

Original contract completion date: 7/2/07 Current contract completion date: 7/02/07
Original contract amount: \$5,566,871.00 Current contract amount: \$5,566,871.30

3%

D. ESTIMATE JOB COMPLETION PERCENTAGE TO DATE: 3%

E. CONTRACT FUNDS

1. See attached S-Curve

3. WEATHER DAYS

None to date

4. PUNCHLIST OR CORRECTIVE ITEM ISSUES

1. Install flap-gate at 7-2C

5. STORED MATERIALS

C 12x25

6. SUBMITTALS

1. See attached submittal register
2. Critical submittals in review
3. Outstanding critical submittals - None

Sandy Mordus

From: "Sandy Mordus" <smordus@nirpc.org>
To: <dzebell@lawson-fisher.com>
Cc: <jfisher@lawson-fisher.com>; "Dan Gardner" <dgardner@nirpc.org>
Sent: Tuesday, March 14, 2006 4:24 PM
Subject: Fw: River Road Levee

Dennis:

I concur that you and John Fisher should do the inspection on March 28 and that it is not necessary for me to participate in this evaluation. As we discussed, I would like to have the opportunity to meet with you in the field after Lawson-Fisher has completed their evaluation prior to making your final report.

I will be out of the office from March 25 - April 1 but will be available to meet with you for a field walk-thru any time after April 3. Please let me know what day and time will work for you. If it is after the 14th, that is fine with me. Thanks,

Jim Pokrajac, Agent
Engineering/Land Management

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

From: Dan Gardner
To: Sandra Mordus
Sent: Tuesday, March 14, 2006 8:06 AM
Subject: Fw: River Road Levee

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

From: Dennis A. Zebell
To: Jim Pokrajac
Cc: Dan Gardner ; John Fisher
Sent: Monday, March 13, 2006 1:20 PM
Subject: River Road Levee

Jim,

As we discussed this morning, we are planning on performing the inspection of the River Road Levee on Tuesday, March 28, 2006 (weather permitting). After the inspection is completed, we will proceed with preparation of a draft report which will summarize our findings and list the items of work necessary to move forward with certification of the levee. As I mentioned, I will be out of the office for most of the week of April 3, 2006 and therefore we currently plan to have the draft report completed by April 14, 2006. After you have a chance to review the report we can meet at the site to walk the levee and discuss our recommendations with you and others who may be interested.

Please call if you need any further information.

Thank you.

Dennis A. Zebell, P.E.
Lawson-Fisher Associates P.C.
525 West Washington Avenue
South Bend, Indiana 46601
(574) 234-3167



Little Calumet River Basin Development Commission

6100 Southport Road
Portage, Indiana 46368

(219) 763-0696 Fax (219) 762-1653
E-mail: littlecal@nirpc.org

WILLIAM BILLER, Chairman
Governor's Appointment

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ARLENE COLVIN, Treasurer
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R. KENT GURLEY
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Governor's Appointment

JOHN MROCZKOWSKI
Governor's Appointment

CHARLIE RAY
Porter County Commissioners' Appointment

VACANCY
Governor's Appointment

DAN GARDNER
Executive Director

LOU CASALE
Attorney

March 13, 2006

Mr. Rich Underkofler
Highland Town Manager
Town of Highland
3333 Ridge Road
Highland, Indiana 46322

Dear Mr. Underkofler:

Congratulations on your new position with the town of Highland. We recently received a request from Terry Hodnik from NIES Engineering that you would like a map showing the various stages of the Federal levee construction as they apply to Highland. We have enclosed the following information that will not only provide information regarding ongoing construction, but upcoming construction as well:

- A sample letter dated February 10, 2006 that was sent to area legislators, municipalities, etc. regarding upcoming funding needs for the Little Calumet River Basin Development Commission to complete the flood control/recreation project. This personally-addressed letter contains four attachments:

Attach. 1 - Current construction between Kennedy Avenue and Cline Avenue in Highland along with contract amounts and proposed dates of completion.

Attach. 2 - Flood plain mapping for impacted municipalities.

Attach. 3 - A letter from Congressman Pete Visclosky establishing a December 2009 project completion date.

Attach. 4 - A list of contributions from landowners/municipalities/other entities.

- Stage V Phase 2 map showing the remaining construction to be completed in Highland between Kennedy Avenue and Hart Ditch.

- A current project map showing completed construction, ongoing construction, and upcoming construction along with the current construction schedule. This map includes the entire project area, from State line in Hammond to I-65 in Gary.

Mr. Rich Underkoffler
March 13, 2006
Page 2

- An information sheet describing the project in general: its authorization; project cost, project schedule; and benefits.

I hope this information provides you the data that will help familiarize yourself with the flood control project for the Little Calumet River, not only in the town of Highland, but with Gary, Hammond, Griffith, and Munster. The completion of the next construction stage (V-2) is crucial to Highland becoming eligible to be fully protected and able to be removed from floodplain designation.

I realize that this is a very complex project and you may need additional information or have questions that remain unanswered. We would offer to meet with you to discuss the project and would also be willing to have a field visit with you to show ongoing construction areas, as well as other we are proposing in the upcoming construction segment, known as Stage V-2, that would complete the remainder of work in the town of Highland. Please feel free to call either myself or Jim Pokrajac, engineering agent for the Commission, if you'd like to meet or if you have any questions regarding the project.

Once again, congratulations on your new position with the town.

Sincerely,


Dan Gardner
Executive Director

/encl.

cc: Joe Wszolek, Town Council President
Terry Hodnik, NIES Engineering
William Biller, LCRBDC Chairman
John Mroczkowski, Highland LCRBDC member

LAND MANAGEMENT REPORT

For meeting on Wednesday, April 5, 2006

(Information in this report is based upon latest data provided at the time the report is put together. Dates and costs may vary depending upon ongoing design and/or coordination with the Army Corps.

Report period is from February 23 – March 29, 2006)

A. CHICAGO TOWER LEASING CORPORATION:

1. Received a proposal with the rental increase, based upon the consumer price index for the last (5) years from Chicago Tower on July 12, 2005
 - Current monthly rental is \$1568/month
2. LCRBDC received a letter from Chicago Tower on July 22, 2005 proposing additional lease space for Verizon Wireless
 - They would require an 11' x 15' space for a diesel generator site to provide emergency backup power in the event of a power outage.
 - **An email request from Verizon was submitted on March 7 requesting LCRBDC written permission allowing the subletting on our property.**
 - **A letter was sent to Stan Stann on March 10 requesting pertinent data showing the proposal for our review. After receipt, and approval, LCRBDC will draft an addendum to the current License Agreement.**

1
2

B. Chase Street Farm Stand

1. Building is currently occupied
 - A. This will help LCRBDC to avoid vandalism, get heat in the building, and have insurance for an occupied building.
 - B. **Closure structures and sluice gate drill operators are currently being stored in this building and are readily available for emergency operations during a flood event.**
- C. LCRBDC received a request from INDOT in early **October, 2005** for a permanent easement. This would be approximately a 10' strip south of their right-of-way between Harrison and Broadway.
 1. INDOT contacted LCRBDC on November 30 indicating that their engineering firm will contact us for a review to assure their request will have no impact to our project. (No response as of February 22, 2006).
 2. **LCRBDC received a letter from INDOT on March 6 as a follow-up request for real estate for a perpetual easement. The letter explained it is only for "working room".**
 - **LCRBDC forwarded this letter and real estate drawings to the COE, and copied INDOT Engineering, on March 14.**
 - **Before issuing the easement, LCRBDC needs assurance our line of protection will not be disturbed. (The actual toe of our levee abuts their south R/W line)**
 - **LCRBDC also sent an email to INDOT Engineering representatives on March 14 requesting specific information.**

3-4
5
6

D. LCRBDC received a call from the IDNR on March 15, who in coordination with the town of Griffith, requested information on our property ownership between Cline Avenue and Colfax because of evidence of illegal trapping.

- LCRBDC wrote a letter to the Griffith Chief of Police on March 17 enclosing an ownership map, indicating no permits were issued for hunting, fishing, or trapping, and agreeing to work with them if prosecution is required.**

7-8

Jim Pokrajac

From: "Carol A. Schutz" <cschutz@lplegal.com>
To: <jpokrajac@nirpc.org>
Cc: "Steven F. Ginsberg" <sginsberg@lplegal.com>
Sent: Tuesday, March 07, 2006 10:52 AM
Attach: Gary 2 amendment v2.doc
Subject: Verizon Wireless consent letter

Mr. Pokrajac, attached please find the sublease between Verizon Wireless and Mr. Stanley Stann, for the tower located at 2702 West 35th Avenue, Gary Indiana. Please note that according to the prime lease between Mr. Stann and Little Calumet River Basin Development Commission, Mr. Stann must obtain the prior written permission of the Commission before subletting his tower and associated buildings. Therefore, we are respectfully requesting that written letter of consent for this sublease. Please feel free to contact me or Mr. Ginsberg if you have any further questions.

<<Gary 2 amendment v2.doc>>

Carol-Anne P. Schutz
 > LEVENFELD PEARLSTEIN, LLC
 > 2 NORTH LASALLE
 > CHICAGO, ILLINOIS 60602
 > (312) 476-7587 FAX: (312) 346-8434
 > cschutz@lplegal.com
 > www.lplegal.com
 > *****
 >
 >
 >

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3/7/2006



Little Calumet River Basin Development Commission

6100 Southport Road
Portage, Indiana 46368

(219) 763-0696 Fax (219) 762-1653
E-mail: littlecal@nirpc.org

March 10, 2006

Mr. Stan Stann
Chicago Tower Leasing Corporation
113 Murphy Lake Road
Park Ridge, Illinois 60068

Dear Stan:

I am writing in reference to a request received from Verizon regarding the expansion of their facilities on our property at 35th & Chase in Gary, Indiana upon which you have a lease agreement with the Development Commission. According to our lease agreement, you must obtain prior written permission from the Commission before entering into a sub-lease with another entity. Although the Commission has no problem with Verizon subletting additional space from you, we would request that you share all pertinent data with us as to the location of their expansion. (I have enclosed a layout of the location plan for you to mark up). Once we have received the detailed information, and once the Board has approved their request, we will proceed to draft an addendum to the existing License Agreement we have with Chicago Tower. This would provide us with an updated, current use of the property, as well as an increase to the monies you are now paying the Commission (which we can discuss this at that time).

Our Board of Commissioners meet on the first Wednesday of each month. Once you have provided Verizon's information to me, I will present it to the Board for their approval. If you have any questions about my request, please let me know.

Sincerely,

James E. Pokrajac, Agent
Land Management/Engineering

/s/jm
cc:

Bob Marszalek, LCRBDC, Chairman, Land Management
Lou Casale, LCRBDC attorney



Indiana Department of Transportation

Land Acquisition Division
100 North Senate Avenue, Room N955
Indianapolis, Indiana 46204-2219

FAX: (317)233-3055 - Writer's Direct Phone: (317) 233-9086

March 6, 2006

The Little Calumet River Basin Development Commission
Attn: Judith Vamos and James Polkrajac
6100 Southport Road
Portage, IN 46368

RE: Project IM-80-1 (158)
Code: 4621
Parcel: 5
Property Location: South side of I-80/I-94, east of Harrison Street, Gary, Indiana.

Dear Judy and Jim,

The Indiana Department of Transportation (INDOT) needs to acquire a Perpetual Highway Easement from your Commission for the purpose of Ditch Maintenance within the properties as noted in the legal descriptions of which Meith Moberg has already provided you, one of which has been corrected and changed. The plan and profile sheets that Keith Moberg sent you provide that the properties are located south of I-80/I-94 near roadways such as but not limited to VanBuren Place and Jefferson Street in Lake County. These areas of Perpetual Easement are identified as parcels 5A through 5H and 5F and incorporate 0.330 acres. The proposed acquisition is a long narrow strip of land with several breaks in the strip for dedicated but unimproved roads immediately south of I-80/I-94. Due to these breaks, the proposed acquisition is broken down into Parcels 5, 5A, 5B, 5C, 5D, 5E and 5F are generally rectangular and about 12 +/- feet in depth. Parcels 5G, 5H and 5J are a bit irregular since their depth follows the curve of the ramp to S.R. 53 running south. There is only scrub growth in the area of our proposed acquisition, plus our proposed acquisition for a Perpetual Easement is for the purpose of Ditch Maintenance only. Also, some of our proposed acquisition is primarily wetlands interspersed with some upland areas, it is all in a flood plain, and is zoned by the City of Gary as F-1, Flood Plain District.

I have confirmed the following for your information and for your records: 1. There are some improvements within the area of our proposed acquisition; 2. Our proposed acquisition is only for "working room" and, the "construction limits" do not extend beyond the currently existing right-of-way; 3. There may or may not be billboard(s), building improvements, levees, etc. in the areas of the proposed acquisition, regardless, just to be sure, I have confirmed that there has been a blanket "DO NOT DISTURB" placed on all of these items on all plans and for all further project managers (Essentially, INDOT is really needing, as I said, "working room,") 4. Concerning previous negotiations/transactions that you've had with INDOT, our new policy is to become TOPDOT - a governmental department that now considers you the owners as "customers," we're pledging to work more effectively with your Commission, the Army Corps, the City of Gary, the County of Lake, whomever, etc; and, 5. For your peace of mind, if an accident should happen, we're bound by law and regulation, State and Federal, to perpetuate "that which was" to its previous condition and to work and coordinate with whomever to correct a problem.

3

March 6, 2006

Page 2


The Little Calumet River Basin Development Commission
Attn: Judith Vamos and James Polkrajac
6100 Southport Road
Portage, IN 46368

RE: Project IM-80-1 (158)
Code: 4621
Parcel: 5
Property Location: South side of I-80/I-94, east of Harrison Street, Gary, Indiana.

In order to accommodate the planned improvements, it will be necessary to **permanently acquire about 0.089 acres** of your property for a Perpetual Easement. These interests are irregular shaped parcels. INDOT is prepared to offer you **\$950.00** for this **Perpetual Easement**. An appraiser, using standard appraisal methods and practices, arrived at this **Total Value of \$950.00** in accordance with Indiana Code. On October 3, 2005, you received our offer, and we would like to finalize this transaction as soon as practicable.

Please review this information at your earliest convenience and contact me at 317-233-9086. I thank you in advance for reading my letter. **If what's been presented in this letter is acceptable to you, please give me a call and I'll send you the necessary documents for you to sign, so that you may receive your funds on a timely basis.**

Sincerely,



David H. Strauser
Land Acquisition Specialist



Little Calumet River Basin Development Commission

6100 Southport Road
Portage, Indiana 46368

(219) 763-0696 Fax (219) 762-1653
E-mail: littlecal@nirpc.org

March 14, 2006

VILLIAM BILLER, Chairman
Governor's Appointment

ROBERT HUFFMAN, Vice Chairman
Governor's Appointment

ERLENE COLVIN, Treasurer
Mayor of Gary's Appointment

MARK RESHKIN, Secretary
Governor's Appointment

GEORGE CARLSON
Mayor of Hammond's Appointment

STEVE DAVIS
Dept. of Natural Resources Appointment

KENT GURLEY
Lake County Commissioners' Appointment

ROBERT MARZALEK
Governor's Appointment

JOHN MROCZKOWSKI
Governor's Appointment

HARLIE RAY
Porter County Commissioners' Appointment

VACANCY
Governor's Appointment

IAN GARDNER
Executive Director

DOUG CASALE
Attorney

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

Re: INDOT Request for Perpetual Easement

Dear Imad:

Enclosed is a copy of the drawings showing the real estate requested by INDOT for a perpetual easement adjacent to their south right-of-way line between Harrison and Broadway. It is INDOT's intent that this easement be used as an access to do ditch maintenance south of their I-80/94 right-of-way. I have requested from Allen Egilmez any engineering data to see if there will be any impacts to our levee in this area. I did a field inspection and it appears that the toe of the levee on the landward side extends to their right-of-way line. In a letter I received from INDOT on March 6, 2006, INDOT indicated they need approximately 12' of land and that it would only be used for "working room" – this could be difficult with a 2.5 to 1 side slope in this area. Upon receipt of data from Allen, I will forward this to you in order that you may make a determination as to whether or not you will allow them to use this land; and, if so, what restrictions will be placed upon them in the agreement allowing them usage of this land. If you have any questions regarding this request, please let me know.

Sincerely,

James E. Pokrajac, Agent
Engineering/Land Management

/sjm
encl.

cc: Allen Egilmez, INDOT
Greg Kicinski, INDOT
David Strauser, INDOT

Sandy Mordus

From: "Sandy Mordus" <smordus@nirpc.org>
To: <allene@ucea.com>
Cc: <GKicinski@indot.state.in.us>; <DStrauser@indot.state.in.us>; <imad.samara@usace.army.mil>
Sent: Tuesday, March 14, 2006 2:15 PM
Subject: Perpetual Easement-Harrison to Broadway south of I-80/94

Allen:

I received a request from INDOT in October of 2005 to provide a perpetual easement between Harrison and Broadway, south of I-80/94, to maintain the existing drainage ditch. In a field inspection, I noticed that the toe of our levee on the landward side abuts INDOT's fence that is along the south right-of-way line of I-80/94. INDOT is requesting a 12' easement on our property to allow future maintenance of the ditch.

I explained to Mr. Strauser, INDOT Land Acquisition Specialist, that I would facilitate the agreement, which would be signed by our Board, but would need approval from the Army Corps of Engineers, who does the design and makes the decisions regarding impacts to the flood protection system. I also requested section drawings, if there will be any changes, through that area that show INDOT's proposal of how that land will be used. Will you please provide them to me? Our levee side slope is at 2.5 to 1 which would make it difficult to do maintenance of the ditch. I will review the drawings and forward them to the Corps to determine if they have any concerns with your usage of land in that area.

As, in the past, we have always worked with INDOT and we plan to continue to do so. We received a monetary offer for the land, which, in the past, we have never accepted and do not plan to accept an offer this time. When we have worked with INDOT to obtain easements with our project, INDOT has implemented the same policy.

Under separate cover, I will be sending you a letter along with the information provided to me for your review. I will also enclose the letter submitted to us requesting these lands. If you have any questions regarding this, please let me know.

James E. Pokrajac, Agent
Engineering/Land Management



Little Calumet River Basin Development Commission

6100 Southport Road
Portage, Indiana 46368

(219) 763-0696 Fax (219) 762-1653
E-mail: littlecal@nirpc.org

March 17, 2006

Mr. Carl Grimmer
Chief of Police
Town of Griffith
115 North Broad Street
Griffith, Indiana 46319

Dear Mr. Grimmer:

As per our conversation of March 16, I am enclosing a map of the area between Cline Avenue and Burr Street showing the properties that the Little Calumet River Basin Development Commission owns. We are a State commission whose purpose is to construct flood protection from the Little Calumet River. We have acquired lands necessary for our project and some of your areas of concern are properties that we do own.

The Development Commission has never given authorization to any parties to allow hunting, fishing, or trapping on our State-owned properties. In the event the town of Griffith should find trespassers on our property that are either hunting, fishing, or trapping, we would work with you to pursue prosecution of these individuals. We take this subject very seriously as it does present a liability issue to us that, not only a family pet could either be hurt or killed, but a child as well.

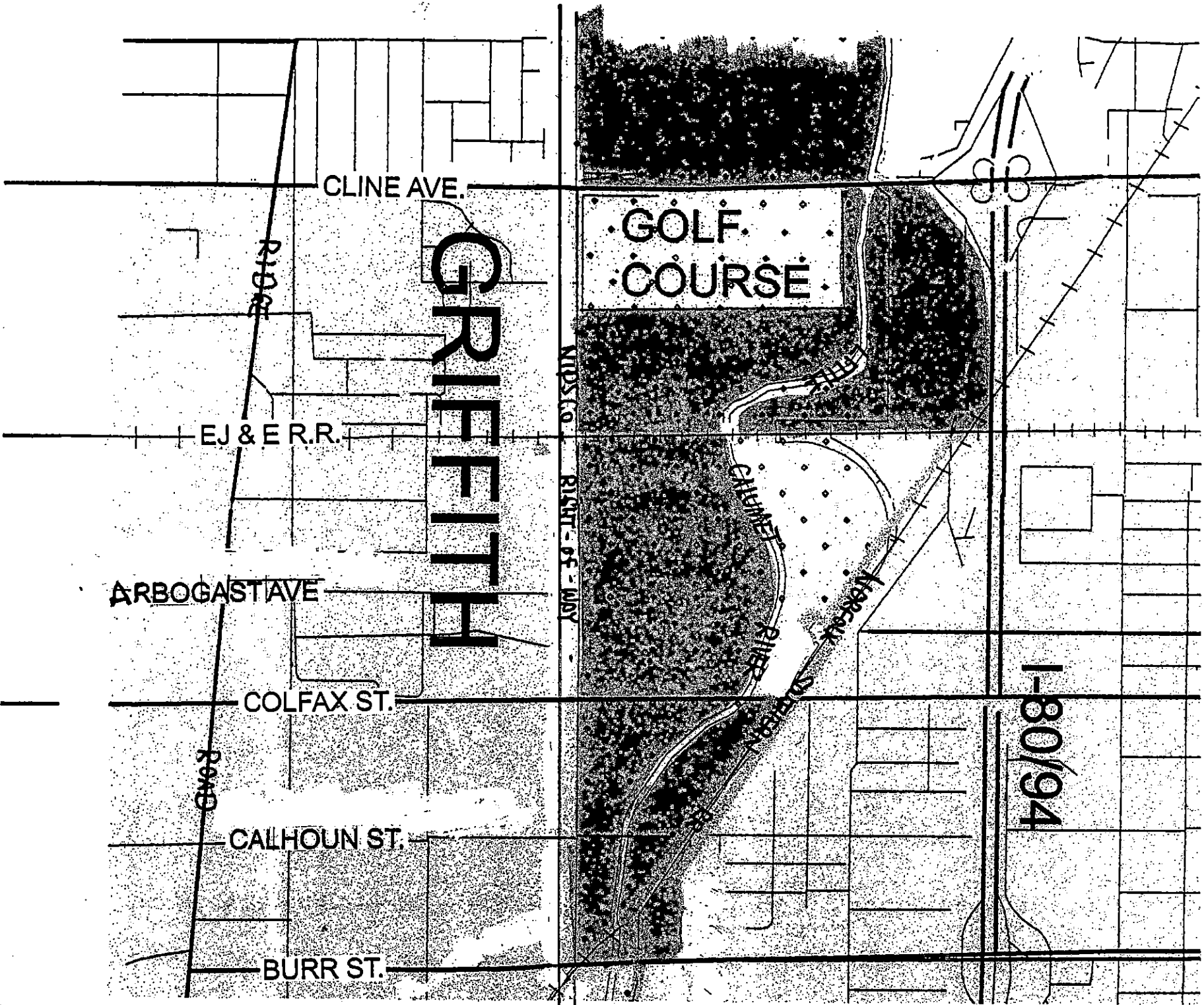
I will provide the town of Griffith with three signs and posts for you to install that state these lands are part of a Federal Flood Control Project and that violators will be prosecuted. As you stated in our conversation, you would arrange to have the town of Griffith install these signs in appropriate locations to make trespassers aware that they could be prosecuted. If you have any questions, or need further assistance, or would like to meet to discuss this issue, please contact me at the above number or my email jpokrajac@nirpc.org. Thank you for your assistance.

Sincerely,

James E. Pokrajac, Agent
Land Management/Engineering

/encl
cc:

Terri Arlandson, IDNR
Steve Davis, IDNR, LCRBDC
Bob Marszalek, LCRBDC



GRIFFITH

GOLF COURSE

CLINE AVE.

EJ & E R.R.

ARBOGAST AVE.

COLFAX ST.

CALHOUN ST.

BURR ST.

1-80/94

LANDS OWNED IN FEE BY THE LITTLE
CALUMET RIVER BASIN DEVELOPMENT COMMISSION.

LAND ACQUISITION REPORT

For meeting on Wednesday, April 5, 2006

(Information in this report is based upon latest data provided at the time the report is put together. Dates and costs may vary depending upon ongoing design and/or coordination with the Army Corps. Report period is from February 23 – March 29, 2006)

EAST REACH – REMAINING ACQUISITIONS

1. In compliance with the Congressman's request to complete the project by December, 2009, we are reviewing remaining East Reach acquisitions for acquisition either on tax sale or from landowner. (Ongoing)
 - A court hearing has been set for April 11, on DC 128
2. We are appraising the "WLTH" Radio property, DC813, on Martin Luther King Drive. The owner has requested we finish this acquisition to determine how the flood control project is affecting the radio tower grid under the ground.
 - Oetzel & Hartman Group have been assigned the appraisal. The contract states a March 9 submittal date.
 - **The appraiser asked for a contract extension due to a sub-contractor, fixture appraiser, taking more time to complete his section of the appraisal. Extended date is March 31, 2006.**

STATUS (Stage IV – Phase 1 South) EJ&E RR to Burr St – South Levee:

1. Construction on the WIND Radio station property has been completed using a right-to-construct. We need an easement on the WIND property for maintenance purposes.
 - The appraisers (Terry Oetzel and Ron Gryzbowski) will begin the appraisal after "WLTH Radio" is complete. **(Ongoing)**

STATUS (Stage V) Kennedy Avenue to Northcote, both North and South levees

Action Items: **1 increased offer - DC1120 - \$4,370**
 1 condemnation - DC1101

1-2

1. **Twenty Six offers** (37 acquisitions) have been sent to landowners since January 4, 2006. **Fifteen have been accepted.** We are in negotiations with **eight landowners**. Four acquisitions may or may not be needed. These are entrance parcels off Indianapolis Blvd. for Cabela's and Tri-State Coach easements (if flowage easements to be moved from Tri-State to Cabela's flowage are approved by COE) **(Ongoing)**
2. The Wicker Park appraisal has been submitted and approved. We have been discussing a donation with the North Township trustee.
 - **We received a call from the North Township attorney on March 17, 2006 to provide him information on the donations previously made to the Commission. He requested we make a presentation to the North Township Board.**
 - LCRBDC received modified legals to move the flowage easement from Wicker Park to Cabela's area from GLE on November 22 and submitted these to the COE for review and comments on December 7, 2005.

3. All available pipeline, and subordinated pipeline agreements, were forwarded to LCRBDC attorney on January 19, 2006. This could be used in getting easement agreements.
 - **We will schedule a meeting with NIPSCO and pipeline representatives to discuss the engineering and real estate agreements.**
4. **A meeting was held with representatives from Cabela's, Hammond, and the LCRBDC on March 27, 2006 to review project and what impacts it has on Cabela's property. We may need to acquire additional easements depending on the location of Cabela's entrance.**
 - **Dan will report on that meeting**

STATUS (Stage VI-Phase 1 South) – Kennedy to Liable - South of the river:
Land Acquisition deadline July, 2004

1. Construction is continuing on this segment.

STATUS (Stage VI-Phase 1 North) – Cline to Kennedy – North of the river:
Land Acquisition deadline April 30, 2005

1. Bids were opened on August 24, 2005. Illinois Constructors Corporation is the low bidder, submitting a bid approximately 15% under the COE estimate (without profit).
2. Submittals have been completed by the Contractor and construction has started. (See Engineering Report).

STATUS (Stage VI-Phase 2) – Liable to Cline – South of the river:
Land Acquisition deadline April 15, 2005

1. Dyer Construction was awarded the contract on July 29, 2005 (See Engineering Report)
2. All submittals have been submitted and approved, and construction started February 13.

STATUS (Stage VII) – Northcote to Columbia: The designation for this Stage is Stage VII – Hammond (North of the river) and Stage VII-Munster (South of the river)

1. In compliance with the Congressman's request to complete the project by December, 2009, title work is received and surveys **are completed. An appraisal on the Hammond parcels, north of the river, is being completed. Delivery date is April 1, 2006.**
 - A. **29 surveys of the 53 properties south of the river have been completed and will be reviewed by the COE.**
 1. A letter was sent to the COE on February 7 seeking coordination with DLZ and the COE to modify easements to avoid permanent structures.
 2. A memo was sent to the COE on February 20, 2006 requesting consideration to modify easements on real estate requirements to possibly reduce costs.
 - **On February 23, a field walk-thru was held with LCRBDC, the appraiser, and the COE appraisal reviewer to determine if any modifications could be done to reduce impacts to residents, and costs to LCRBDC.**
 - **Eleven (11) easements were requested to be modified in a letter, with attachments, to the COE on March 1 for their review and concurrence.**
 - **The COE responded on March 16 concurring with (5) of these changes.**
 - B. Survey work north of the river and on North River Drive, Columbia, and Northcote has been completed and appraisals have started in February.
2. **We have assigned an appraiser to complete a "gross appraisal" to determine preliminary land values on the Munster parcels south of the river. We will use this information for budgeting purposes.**

3-4

STATUS (Stage VIII – Columbia to State Line (Both sides of river))

1. The COE indicated at the November 29 Real Estate meeting that they will be focusing engineering on Stage VIII.
 - The COE has set a goal to provide real estate drawings by January 6, 2006.

STATUS (Betterment Levee – Phase 1 - Gary) Colfax to Burr Street:

Land Acquisition is completed.

1. This portion of construction will be advertised, paid for, and coordinated by the city of Gary. The COE will oversee the construction to assure compliance with Federal specifications. We still need a signed agreement with Gary before we can sign our right-of-entry.
2. Project was advertised on December 7, 2005.
 - Pre-bid meeting was held on December 19, 2005.
 - Bids were received, and opened, at the Gary Board of Public Works meeting on January 18, 2006. Low bid was \$480,000 above COE estimate.
3. **Agreement has been submitted to the Gary Stormwater Management District and the Gary Board of Public Works for their approval. Those Board meetings were scheduled for March 28 and March 29, respectively. Additional funding was approved at the GSWMD on the 28th and, with that in hand, the Gary Board of Public Works voted to sign the agreement.**

STATUS (Betterment Levee – Phase 2 North of the NSRR east of Burr Street, and ½ mile east, back South over RR approximately 1400':

Land Acquisition deadline is September, 2005

1. A uniform offer of \$20,700 for an easement acquisition was sent to the NSRR on June 6, 2005. The railroad requested changes to the COE design based on safety factors. COE completed the re-design. This re-design was rejected by the NSRR and the LCRBDC attorney filed for condemnation on September 6, 2005.
 - **In December, we received a call from NSRR Real Estate. They agreed to sign the easement agreements after a modification in the real estate drawing (taking a 93' easement request to 100').**
 - **NSRR design issues have been agreed upon.**
 - **On March 20, 2006 we received a letter from NSRR expressing their desire to stop the condemnation and accept our offer. Engineering issues for construction could be ongoing. Corps Real Estate in Detroit has some concerns about the easement language but we consider this good news towards a settlement.**

5-6

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

1. We will be reviewing parcels, cost schedule with the Corps in light of Congressman Visclosky's letter to complete the project by December 2009.
2. New regulations for 49 CFR Part 24 allow in-house appraisals (waiver valuations) to be increased from \$5,000 to \$10,000. We have been writing new waiver valuations for several remaining acquisitions instead of assigning appraisals (more costly) to contract appraisers. (Ongoing)

GRIFFITH GOLF CENTER (North of NIPSCO R/W, East of Cline Avenue)

1. LCRBDC was directed by the COE to obtain a flowage easement on the entire property in a letter dated October 7, 2005.
2. **The firm of Qetzel & Hartman completed the appraisal and it was approved on March 17. An easement offer will be sent to the landowner.**

CREDITING:


1. LCRBDC had a conference call with John Weaver of INDOT on March 16, 2005 requesting incremental cost data at Cline Avenue that would substantiate crediting. Best estimate still is in the range of \$600,000 (Ongoing)
2. **Detroit Real Estate has asked us to make some changes in crediting procedure to bring our crediting totals up to date. The Corps needs a final number to determine the amount of our cash contribution to construction.**

GENERAL INFORMATION:


1. We continue to supply information to the Congressman's Office as requested.
2. We have acquired a new local appraiser. Steve Kovachevich, a certified general appraiser and attorney from Gary, **has been assigned an appraisal for crediting purposes.**



MEMORANDUM

TO: Vic Kotwicki, Chief, Real Estate Detroit District, USACE

FROM: Judith (Judy) Vamos, Land Acquisition, LCRBDC 

DATE: 13 March 2006

SUBJ: Approval of Administrative Settlement for DC 1120
Owner, 

Attached is an Administrative Settlement for DC 1120, landowner 
 has refused the original fair market value offer dated 1/16/06 of \$3,800 and asked for an increase. After negotiations we have agreed to a 15% increase of \$570 bringing the offer to \$4,370.

This acquisition is in Stage V with a deadline of June 2006, a priority for the Corp. Additionally, costs for a condemnation could be \$3,500 to \$4,000.

Considering the cost of condemnation and possible time delays, I respectfully request your approval on the Administrative Settlement as being in the public's best interest for the flood project.

Please call me at 219-763-0696 if you have questions. I send my thanks for your cooperation.

Little Calumet River Basin Development Commission

6100 Southport Road

Portage, IN 46368

219-763-0696

219-762-1653

**TO: U.S. Army, Corps of Engineers
Chicago District, CENCC-RE
111 North Canal Street Suite 660
Chicago, IL 60606-7206**

REQUEST FOR APPROVAL OF ADMINISTRATIVE SETTLEMENT

P.L. 91-646, Title III, as amended

Tract Number: DC 1120

Stage/Phase: V

Owner(s):

The above described owner(s) has not accepted the uniform offer, which was based on an approved appraisal, submitted to them in the amount of the Lesser Interest of \$ 3,800.⁰⁰ and the Greater Interest of \$ for fee for an uneconomic remnant.

In accordance with 49 CFR §24.102i, it is requested that an Administrative Settlement be approved for the subject tract.

The reason for this request is as follows:

ALL REASONABLE EFFORTS HAVE BEEN MADE TO NEGOTIATE AN AGREEMENT FOR THE JUST COMPENSATION AMOUNT OF \$3,800. IN LIGHT OF OWNER DEMANDS, TIME DELAYS, AND COSTS OF CONDEMNATION A SETTLEMENT OF \$4,370.00 IS CONSIDERED REASONABLE AND TO BE IN THE PUBLIC'S BEST INTERESTS.

The recommended settlement is \$ 4,370.⁰⁰. This amount is expected to be accepted by the owner(s).

Dan Gardner
Executive Director
Little Calumet River Basin Development Commission

3/13/06
Date

Agreed to:

Chief, Real Estate
Army Corps of Engineers, Chicago District

Date:



Little Calumet River Basin Development Commission

6100 Southport Road
Portage, Indiana 46368

(219) 763-0696 Fax (219) 762-1653
E-mail: littlecal@nirpc.org

LIAM BILLER, Chairman
error's Appointment

BERT HUFFMAN, Vice Chairman
error's Appointment

JANE COLVIN, Treasurer
*or of Gary's
ointment*

MARK RESHKIN, Secretary
error's Appointment

JORGE CARLSON
*or's of Hammond
ointment*

VE DAVIS
*t. of Natural Resources
ointment*

ENT GURLEY
*County Commissioners'
ointment*

BERT MARSZALEK
error's Appointment

N MROCZKOWSKI
error's Appointment

RLIE RAY
*County Commissioners'
ointment*

ANCY
error's Appointment

GARDNER
utive Director

CASALE
ney

March 1, 2006

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

Dear Imad:

On February 23, I had a field walk-thru with Steve Petrucci and Alan Landings in the area between Northcote and Columbia on the Munster side of the river to familiarize us with the impact of our project relative to existing structures. In my field notes, I indicated a number of areas where we felt we might be able to modify the existing easements to minimize impacts to these properties. I have enclosed copies of 11 easements that reflect the real estate requirements as provided to us on your real estate drawings. I have marked each of these individual easement drawings with either suggestions or questions for your review and comment. I have also enclosed a copy of the Stage VII "Property Identification Key Map" so you may relate these individual properties to your overall real estate for Stage VII - Munster.

After our real estate meeting on February 23, we had a discussion with the same people and it was suggested that all of the easement drawings be modified to reflect all of the Little Calumet River that overlays onto their total property ownership. We will show the entire river area in blue and not include this acreage for any part of the flood protection levee easement. In addition, we will show the area from the toe of the levee on the landward side to the temporary easement, and refer to this as "Permanent Area #1", along with the acreage of that land which could be valued at a lesser amount on the flood protection levee easement. I have enclosed a general example of this on easement drawing DC-1236.

Before we assign these appraisals, we need to have your blessing for what I have marked up on these drawings. Will you please let me know if these proposals meet your design and/or construction criteria? If there are any other areas where we could reduce easements, please let me know so I could have DLZ modify the legals and drawings accordingly. Upon receipt of

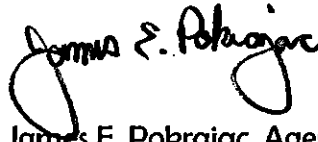
3

Mr. Imad Samara
March 1, 2006
Page 2

your comments, I will have my surveyor modify these drawings and legals, and submit them to Judy to begin the appraisal process. DLZ is also reviewing the most recent set of civil drawings for Munster (C-11 thru C-15) that you sent on February 24, 2006 to assure that our real estate easements are the same as the work limits.

If the Army Corps feels that we should not value the land as is shown on the general example sheet, please let me know prior to my having assigned these modifications to my surveyor. If anyone has a question regarding this information, please respond back to me via email in order that I may keep a record of this portion of the real estate for Stage VII.

Sincerely,



James E. Pokrajac, Agent
Engineering/Land Management
jpokrajac@nirpc.org

/sjm
encl.

cc: Ray Keilman, DLZ (w/encl)
Vic Kotwicki, ACOE (w/encl)
Steve Petrucci, ACOE (w/encl)
Judy Vamos (w/encl)
Lou Casale (w/encl)

RECEIVED MAR 20 2006

Norfolk Southern Corporation
Real Estate Department
1717 Arch Street - 49th Floor
Philadelphia, PA 19103

Karl R. Autenrieth
Property Manager
Phone: (215) 448-4211
Fax: (215) 448-4206
Email: krautenr@nscorp.com

March 15, 2006

Louis M. Casale, Attorney
Casale, Woodard & Buls, LLP
9223 Broadway - Suite A
Cambridge Commons
Merrillville, IN 46410

Subject: Gary, Lake County, Indiana
Milepost B-496.22 to 496.55 Hobart-Forrest Hill Line

Activity No. 1082695 / AFE # 2005 1138
Proposed grant of easements (temporary & permanent) to the Little Calumet
River Basin Development Commission.

Dear Mr. Casale:

This is in reply to your letter dated June 6, 2005 regarding the proposed acquisition of easements across railroad right of way required for the Little Calumet River Flood Protection and Recreation Project.

We are pleased to inform you that in lieu of condemnation, our Railroad Management has accepted LCRBDC's Easement Acquisition Offer of \$20,700.00 (lump sum) for the subject easements. We have also received approval from our Engineering Department that they will accept your legal descriptions of the temporary and permanent easements in accordance with the revised drawings submitted via LCRBDC cover letter dated December 27, 2005.

In order to complete this sale transaction, we are forwarding the real estate paperwork, plans and easement descriptions to our attorney:

Linda Hill, General Attorney
Norfolk Southern Corporation
1200 Peachtree Street N.E. - 12th Floor
Atlanta, Georgia 30309 Telephone: (404) 962-5807

Ms. Linda Hill will represent Norfolk Southern at closing. She will prepare the necessary deed and will forward the documents to you with instructions for completing this sale transaction. Your patience and cooperation throughout this process have been greatly appreciated.

Very truly yours,



Karl R. Autenrieth

* letter of
6/6/05 was
the uniform
land offer.
Jr.
3/20/06

De
598

Received
"Deed of Easement"
from Linda Hill
3/20/06.
Jr.



CC: Judy Vamos
Land Acquisition Agent
Little Calumet River Basin Development Commission
6100 Southport Road
Portage, IN 46368