

MINUTES OF THE LITTLE CALUMET RIVER BASIN DEVELOPMENT COMMISSION
HELD AT 6:00 P.M. WEDNESDAY, DECEMBER 3, 2003
6100 SOUTHPORT ROAD
PORTAGE, INDIANA

Chairperson Arlene Colvin called the meeting to order at 6:10 p.m. Nine (9) Commissioners were present. Pledge of Allegiance was recited. Guests were recognized.

Development Commissioners:

Arlene Colvin
Robert Huffman
Mark Reshkin
George Carlson
Mark Lopez
Charlie Ray
Bob Marszalek
Curt Vosti
Steve Davis

Visitors:

Don Ewoldt - LEL
Kelsee Waggoner – Congressman's Office
Jomary Crary - IDNR
Imad Samara - COE
Sandy O'Brien - Hobart
Joseph Askew – Gary resident
Patt Russell – Gary resident

Staff:

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

There were two (2) corrections made to the minutes of the November 5, 2003 meeting. They were (1) on page 2, under Land Acquisition/Management Report, change "low bidder" to read "high bidder" on farm land bids and (2) on page 4, under Finance Report, change "savings account" to read "savings accounts" (plural – not singular. With these corrections, the minutes were approved by a motion from Curt Vosti; motion seconded by Bob Huffman; motion passed unanimously.

Chairperson's Report – Chairperson Arlene Colvin referred to the Executive Session meeting held prior to this meeting. The meeting regarded real estate issues. She felt that the Board members now have a clearer understanding on the land acquisition we are pursuing, in both Hobart Marsh for mitigation and in Stage VI-1.

• Ms. Colvin also stated that the request for an administrative hearing that was filed by Don Ewoldt in regard to the IDNR permit that was received for the east reach levee construction has been withdrawn by Mr. Ewoldt.

Executive Director's Report – Mr. Gardner referred to a draft schedule, as the best case scenario, that he prepared regarding the critical steps that needs to happen to remove Gary from the floodplain. Other factors may throw the schedule off; but if all parties can work together quickly, he feels that the summer of 2004 is a realistic target date. A lengthy discussion ensued with questions regarding Gary's removal from the floodplain. The Grant and Broadway interchanges at I-80/94 need to be completed, Burr Street II needs to be constructed, and the Griffith levee between Cline and the NSRR need to have tie-back assurance before removal. These all also affect the issuance of the west reach permit. Questions arose as to who actually applies for the removal; what data needs to be submitted for documentation; does O&M have to be in place before removal, etc. Imad Samara stated that the actual construction start of Burr St. 2 does not have to happen as long as we have the commitment by the city in place. Burr Street needs to be completed before construction in VI-1 but not before Gary is removed from the floodplain. He is hoping that Burr Street construction will start no later than September 2004. Imad also stated that the COE will fill out the FEMA application forms but they will require the Commission's signature and the Commission will act as a facilitator. The COE is

submitting the MT2 to FEMA with the necessary data. The COE will produce the floodplain maps and FEMA will verify the floodway.

- It was discussed that it appears the city is pursuing a conservancy district within their boundary. It was felt that it was important to coordinate efforts with them to address O&M at the same time. If a district were in place as those areas come out of the floodplain, it would be easier to impose a much lesser "fee" at that time.
- Commissioner Vosti inquired if it would be possible to use the same procedure for removing sections of Hammond from the floodplain as levee sections were completed. Mr. Vosti informed Imad Samara that before an O&M plan is approved, it needs to be reviewed and approved by this Commission. Imad concurred.
- Mr. Gardner thanked the Commission members who attended the engineering issues meeting held on November 19.
- Mr. Gardner informed the members that Jim Pokrajac accompanied Greg Moore and Marty Maupin on a field investigation Commission owned properties in the east reach to determine what areas could be used for hydric soil areas. Mr. Pokrajac explained that all areas were looked at and, unfortunately, according to Mr. Maupin, only about 85 acres appear to be "suitable"; most of the Commission properties are already existing wetlands. He stated that Greg Moore is writing a letter, documenting their findings. As soon as we receive it, it will be shared with the members.
- Commissioner Mark Lopez inquired whether we have heard anything further from Rich Whitney of INDOT relative to highway bridge credits. Mr. Gardner replied that the COE had received a letter and they are making some comments before responding to it. Kelsee Waggoner said she just talked to Laurie Maudlin of INDOT today and she will have her fax a copy of their letter to us. The letter does contain a dollar figure which Imad thought was around \$4 million but he did not know whether it included all the bridges or highway construction. INDOT's original letter talked about the possibility of \$19 million for bridge credits. We will continue to keep this a priority item.

Outstanding Issues – Regarding several outstanding issues that need addressing by the COE, Jim Pokrajac stated he will work with Imad to see if Gary can get some elevation prints from the COE. The COE is still addressing the road closure issue so a response can be given back to Spike Peller.

- Mr. Vosti made a motion to suspend the rules in order to allow Gary resident Joe Askew to address the Board; motion seconded by Bob Huffman; motion passed unanimously. Mr. Gardner first stated that, after the last Commission meeting, Mr. Askew thought he would be able to stay on our property and rent a barn from us to board his horses. After staff investigated the insurance issue, it was found that in order to have the property covered under our liability policy, the barn must be insured. Upon talking to the Commission's structures insurance provider, it was declared that the barn is "uninsurable". The concern is that we do not want to put our liability insurance policy at risk. Accordingly, the barn needs to be demolished due to property liability insurance policy for vacant property only. Mr. Askew then addressed the Board, stating that although he understands about our insurance coverage, he feels that he could make it insurable. He does have a plan for the land and feels it would benefit residents of Gary, as well as us, by paying rent. He also checked with an insurance company and he again stated he would be willing to sign a waiver dismissing us from liability. He asked to be able to come back at the next meeting with a plan for what he wants to do with the property. Attorney Casale proceeded to state that a signed waiver would only provide coverage for him up to the value of his assets, not anyone else who would enter the property. A lengthy discussion ensued. Commissioner Lopez stated that our energy should be directed toward flood control and did not feel all this discussion on the property rental warranted the time and effort we were giving it. Mr. Gardner agreed, stating that the horses were already stabled there when we bought the property. Mr. Askew had no claim to it; he just moved his horses in a vacant barn he saw without permission from anyone. The land purchase, as a flowage easement, is intended for flood storage and environmental restoration. Commissioner Bob Marszalek agreed with Mark Lopez in that if the insurance company says the barn is uninsurable, it should be demolished and not rented out for the horses. Even with a waiver, we'd probably be sued anyway. The Board was sympathetic to Mr. Askew's plight but felt we should not rent to him. Mr. Vosti made a motion to return to normal business agenda; motion seconded by Bob Huffman; motion passed unanimously.

Steve Davis asked Attorney Casale if he signed a waiver after the last meeting and Attorney Casale said he did not send him a waiver to sign after he found out about the insurance issue. Bob Marszalek proceeded to make a motion to not rent the barn to Mr. Askew because the barn is not insurable and we do not want to put our land liability insurance at risk; motion seconded by Curt Vosti; motion passed with one abstention by Bob Huffman. Mark Lopez made a motion for the Commission to proceed to notify him to have his horses removed and stabled at another location so we can proceed to have the barn demolished to comply with insurance requirements; motion seconded by Charlie Ray; motion passed. Mr. Vosti informed Mr. Askew that he could come back anytime in the future with a proposal for the land for consideration by the Board.

Land Acquisition/Land Management Committee – Committee Chairperson Arlene Colvin made a motion for approval to increase an offer on DC1010-E to \$29,037.50 (from \$25,250) which is a standard COE 15% creditable increase; motion seconded by Curt Vosti; motion passed unanimously.

- Ms. Colvin made a motion to accept a donation of 5 acres of property (needed for a permanent and temporary work area easement) located south of the K-Mart area in Hammond; motion seconded by Curt Vosti; motion passed unanimously. This is the first time we are acquiring property through a donation.

Operation & Maintenance Committee – Committee Chairman Bob Huffman informed the Commission that R. W. Armstrong Company is completing an O&M report identifying manpower/cost information for Stage II-3C, which is the sample “target” area for preliminary discussion/approval for O&M purposes. Once completed, a committee meeting will be scheduled to discuss the format.

- Mr. Huffman also stated that a conference call had been held with Jim Meyer regarding an issue he has with IDEM’s certification of water quality and how that affects Gary. A meeting needs to be scheduled for further discussion.

Environmental Committee – Committee Chairman Mark Reshkin reported that TPL has secured a 1 month extension for the 173 acres in Hobart Marsh we are pursuing for acquisition. The owners are expected to sign the option and a closing should be the first week of January. It was stated that the Attorney General’s Office has to sign off on the DNR offer. Mr. Gardner felt that DNR staff would help facilitate this. TPL will be contacting the next set of landowners once staff has identified property ownership through the Surveyor’s Office.

- Dr. Reshkin referred to Dr. Spencer Cortwright’s presentation at the Environmental Committee meeting held on October 23. He inquired whether it would be possible to ask Dr. Cortwright to be a member of the Environmental Committee. It was determined that only Commission members should serve on the committees but he could be invited, as a guest, to all Environmental committee meetings. Curt Vosti recommended the issue go to the Policy Committee. Mr. Reshkin stated that he and Dan Gardner attended a meeting at IUN regarding the University Park project. This is a project proposed by the city and IUN that extends from Grant Street to MLK and encompasses a lot of acreage that can be restored, as well as developed.

- Steve Davis mentioned that he had received a response letter from the COE regarding his question of plantings the DNR had concern with on the levees. He forwarded the response to DNR. Jomary Crary stated that she understands that the response is acceptable to DNR.

Legislative Committee – Committee Chairman George Carlson referred to the Times article in which the Congressman has been successful in securing \$4 million Federal money for levee construction this fiscal year. Bob Huffman added that he was glad to see that Federal money was secured for Cady Marsh Ditch in Griffith. Mr. Gardner added that the town of Griffith is the only sponsor for the Cady Marsh project. Imad Samara is their project manager.

Project Engineering Committee – Committee Chairman Bob Huffman informed the Board that the Pump Station 1A progress meeting was held on November 21. The second pump should be installed no later than 12/5/03.

- A utility coordination meeting for Stage VI-1 was held with the COE on November 18. All utilities have been identified in Hammond and Highland. It is anticipated that actual utility relocation costs to the Commission will be

considerably less than what was first estimated. Much of the relocation work will be done as part of the COE construction contract. Mr. Gardner commended Jim Pokrajac on the fine job he is doing coordinating the utilities.

- Final plans for review for Stage VI-1, VI-2, and Burr Street 2 should be distributed for final engineering review and comments by early February, 2004.

Recreation Committee – There was no report.

Marina Committee – There was no report but Commissioner Charlie Ray inquired about the funding requirement we have at the Portage Public Marina. Mr. Gardner explained that we financed phase 1 of marina slip construction through a revenue bond in which the city is paying back. Our obligation with the COE still remains another 100 slips to be built yet. These would also be financed through a revenue bond. We were pursuing plans for phase 2 last year with the city and the bank but an agreement between the city and the Commission was not finalized and plans did not materialize. It is hoped that we can begin discussions again with the city.

Finance Committee – Committee Chairman Curt Vosti gave the financial report. He referred to the financial status sheet and current claims. He made a motion to approve the financial status sheet and the claims for the month of November; motion seconded by Bob Marszalek; motion passed unanimously. He then referred to a proposed 12 month budget for the year of 2004. The budget will be voted on at the January meeting.

- Mr. Vosti then made a motion for a budget transfer of \$200,000 from Budget Line 5860 to Budget Line 5840 to cover November and December expenses; motion seconded by Bob Huffinan; motion passed unanimously.

- Mr. Vosti referred to the Finance Committee meeting held November 6 covering items such as funding for O&M, Commission notes that will come due in April, renewal of contracts for the new year, a proposed 2004 budget, the Executive Director's time being reduced from 50% to 20% for a 3 month period, hourly increases for legal and engineering agreements, etc. Another committee meeting will be scheduled before the January meeting to finalize all pending business to be brought before the Commission members in January.

- Mark Lopez inquired whether we solicit for RFPs for professional services. Mr. Gardner replied that when the project construction started, we did a major solicitation for a consultant to review the Coe's project plans and specifications. R. W. Armstrong Company was selected at that time through a several phase interview and qualifications review process. Over the time, they have developed an expertise knowing the project and have been retained on a yearly basis. Mr. Lopez voiced a concern whether or not R. W. Armstrong would have a conflict with us because they are doing other work for the city of Gary. It was discussed that perhaps a clause could be put in their contract addressing potential conflicts. Mr. Lopez asked to be invited to any other meetings with GSD.

Policy Committee – There was no report.

Public Relations Committee – There was no report.

Other Issues – Jim Pokrajac will pursue possible County bridge credits with Lake County Highway Dept. Mr. Pokrajac will talk with Duane Alverson of LCHD in regard to re-construction of the Columbia Avenue bridge.

Statements from the Floor – There were none.

There being no further business, the next meeting was scheduled for 6:00 p.m. Wednesday, January 7, 2004