

MINUTES OF THE LITTLE CALUMET RIVER BASIN DEVELOPMENT
COMMISSION HELD AT 6:00 P.M. WEDNESDAY, JUNE 6, 2007
6100 SOUTHPORT ROAD
PORTAGE, INDIANA

Chairman William Biller called the meeting to order at 6:25 p.m. Eight (8) Commissioners were present. Pledge of Allegiance was recited. The guests were recognized.

Development Commissioners:

Arlene Colvin
Robert Huffman
Steve Davis
Bill Biller
Mark Reshkin
Robert Marszalek
John Mroczkowski
R. Kent Gurley

Visitors:

Bill Petrites – Highland resident
Imad Samara – Project Manager, Corps of
Engineers
Elizabeth Johnson – Congressman
Visclosky's Office
Mark Lopez, District Director –
Congressman Visclosky's Office

Staff:

Dan Gardner
Sandy Mordus
Jim Pokrajac
Lou Casale
Judy Vamos

The minutes of the meeting held on May 9th were approved by a motion from Mark Reshkin; motion seconded by Kent Gurley; motion passed unanimously.

Chairman's Report – Chairman William Biller talked about the work study session held on May 23 where the topic of the shortfall in funding was discussed. The Commission had requested \$8 million from this biennium and we only received \$2 million. It was estimated that \$8 million was needed to complete the construction by the end of calendar year 2009, as per the Congressman's request. Chairman Biller stated that the Commission will approach the municipalities for help. We have already had preliminary discussions with Munster, in which they have stated that they would help. Land acquisition in Munster for Stage VII is about \$300,000. Staff will follow up with Munster and request to come to their Board meeting for a formal presentation. Mr. Biller stated that he talked to Marty Wieglos, Hammond's chief of staff, about the Commission having a formal meeting with the Mayor. As discussed earlier with Mark Lopez, Congressman's staff, we need to make every effort to get documentation from the communities as to how they can help, or cannot help, before we approach any other entity for funding. It was discussed that the Regional Development Authority (RDA) may be receptive to a request from us for the \$6 million. But before approaching them, it was emphasized by Mr. Lopez that we need to exhaust all other sources of possible funding and have documentation proving that we have. We have already received some donated properties; we will document all that we have thus far. Staff has committed to documenting local contributions, economic benefits of the project, benefits of completing on schedule and seeking written documentation of any additional municipal funding possible.

• Chairman Biller also informed the Board members that he, Dan Gardner, and Sandy Mordus met to go over some of the financial reports. It is hoped that we can jointly come up with revised financial status reports that are easier to read and understand, and perhaps project out an estimated financial projection of money by end year of project. Staff will be working on it.

Action Required – Treasurer Kent Gurley presented several items for approval. They were:
(1) Approval to transfer \$35,358 into the Administrative account (\$25,720 from High Balance Savings Account interest; \$4,418 from escrow account interest; \$5,220 from Burr Street Gary account interest). Mr. Gurley made the motion; motion seconded by Arlene Colvin; motion passed unanimously.
(2) Approval to deposit a sum of \$99,000 from expected pre-payment of property lease for billboard construction from View Outdoor. Mr. Gurley made the motion; motion seconded by Arlene Colvin; motion passed unanimously.
(3) A motion was made by Mr. Gurley to approve the claims for May as presented in the amount of \$71,133.04; motion seconded by Bob Marszalek; motion passed unanimously.
(4) A motion was made by Mr. Gurley to approve the O&M claims in the amount of \$270.21; motion seconded by Bob Huffman; motion passed unanimously.

Executive Director's Report – Executive Director Dan Gardner stated that staff is still working to resolve issues with the Norfolk Southern Railway Company. It is anticipated that issues will be resolved before the re-scheduled hearing date of July 17. It appears that the railroad's Real Estate Dept. has approved the real estate and they are in the process of signing the easements and the NSRR agreed to send a letter of intent within days. Pat Sullivan from Bergman indicated that Mark Sawyer would sign the agreement relative to engineering issues. It is hoped that we would have that agreement before the 17th.

- Jim Pokrajac is working with NIPSCO to develop an agreement approved by all parties.
- There are still a couple of DC numbers that we are hopeful will conclude in the immediate future.
- Mr. Gardner spoke about the meeting that the NWI Forum had on May 30 that outlined major economic development projects and acknowledged support from Kay Nelson and John Davis. Mr. Gardner had an opportunity to talk to Kari Evans from the Governor's staff, as well as Ron McAhron from IDNR; he also talked to several legislators who agreed that this year's budget process was a tough one. Mr. Gardner added that we are in the process of documenting estimated costs we are receiving from the utility companies for use in our request to ask the IEDC for utility relocation money, estimated to be \$1,250,000. There are 14 different pipelines representing eight different utility companies.
- Mr. Gardner also informed the Board members that he will be a guest speaker at the IN Water Resources Association to be held in Merrillville on June 20 & 21.

Finance Committee – Finance action was already taken. The financial statement for end of April can be found on page 8 of the agenda packet. Mr. Gurley also mentioned that we are going to try to identify income and outgo until the end of the calendar year. Mr. Biller mentioned that we could change the format showing the spending of our money.

Land Acquisition/Land Management Committee – Committee Chairman Bob Marszalek referred to Judy Vamos for an update of land acquisition. She reported there are still a number of required acquisitions pending before the deadline date of June 30 to sign the Right-of-Entry for Stage V-2 (Kennedy to Northcote, including Cabela's). She has been in contact with the NSRR Real Estate Division and we expect to receive a letter of acceptance. They are in the process of signing the easement agreements but signatures will not be complete before the end of the month. She also reported that we have just found out from the Corps that another three acquisitions will be needed due to engineering changes in the vicinity of the pipeline corridor. Those acquisitions will be an option on the contract. We are hopeful that we will be able to acquire those easements within three to six months.

- Regarding Stage VII (Northcote to Columbia), appraisers have committed to doing the appraisals needed in Munster but the Commission does not have the available funds for this segment. We plan to ask the town of Munster for help with these easement acquisitions. The easement acquisitions north of the river are in Hammond and the majority are in public ownership. We are hoping these will be donated to the Commission. Hammond has donated previous easements that were needed in other segments. Mrs. Vamos had a list of donations to the project and they would be available tomorrow.

- In Stage VIII (Columbia to State Line, both sides of the river), surveys and title work has been completed but easement acquisition cannot begin until new money is available from the 2007-09 biennium. (There are 90 acquisitions)

- Chairman Biller expressed concern about meeting the ROE deadline of June 30 for Stage V-2, especially related to earlier dates promised to Cabela's. Attorney Casale indicated there are still a number of issues that need resolution. We are working hard at trying to meet the deadline. A few of the acquisitions that will not be available by the deadline can be added onto the contract as options. The Corps has already approved that. We will keep the Commission informed.

- Regarding land management, Mr. Gardner indicated that with all of our efforts being focused on meeting the June 30 deadline date for Stage V-2, we have not developed the RFP for the 32 acres east of Clay Street in Lake Station. The Board members will see it before it goes out to the public.

- Mr. Gardner indicated that he met with the field team of the National Conservation Implementation Team (NRCS) to inspect our property between the levees between Chase and Grant to see if it would be suitable for wetland enhancement. They would pay us for the use of the lands. Lake County is deficient at this point in time in having available lands for this type of program so that should work in our favor in having the lands approved for wetland development by them. Commissioner Reshkin agreed that this would be an appropriate use of this land.

Project Engineering Committee – Committee Chairman Bob Huffman reported that a meeting was held by INDOT in which staff attended to update their roadway access project into Cabela's off of Indianapolis Blvd.

- The Stage V-2 pipeline corridor was discussed. Jim Pokrajac informed the Board members that the 90% design is complete and is scheduled to be forwarded to all pipeline companies and utilities on June 20. We are receiving cost estimates from some of the utility companies. Vic Kotwicki of the Detroit Corps office has offered help from the Huntington Army Corps to put the utility agreements together. Cost to do that will be a project cost; no

direct cost to the Commission. With so much work to be done in the condensed amount of time, it will be a tremendous help to the staff to have them assist us with the agreements. The V-2 contract is the biggest contract yet.

- Regarding the Burr Street II – Gary portion levee construction, there is a shortfall of available money by the city of Gary to pay the contractor. We are capped at 25% of the contract cost and are not able to contribute any additional monies toward the contract at this time.
- Regarding the Burr Street II East contract, Dyer Construction started doing clearing & grubbing on May 23 at the south end of the project. The NSRR is replacing a non-functioning culvert west of Clark Street and under the Norfolk Southern RR to drain some of the wet area so the contractor can get in there. It has been too wet for them to work.
- Jim Pokrajac stated that he will be giving Commissioner Carlson an update on the drainage issue at the Carlson-OxBow Park.

Operation & Maintenance Committee – Committee Chairman Bob Huffman stated that staff is working with Austgen Electric for the repair work on sluice gates/flap gates, and pump stations. We are trying to complete everything to “as-built” condition by end of June so we can turn the O&M over to the city of Gary. We will be having inspections with the Corps and the city very soon. Jim Pokrajac is coordinating.

Legislative Committee – Legislative issues have already been discussed.

Environmental Committee – There was no report.

Recreation Committee – Committee Chairman Bob Huffman inquired about the access ramp at Liable. After heavy rainfalls last year, the ramp was washed out and water ran around the NIPSCO Substation into a residential area to the west. This is the VI-2 trail tie-in. Highland is working with NIPSCO to obtain necessary easement agreements. Mr. Huffman added that some of the asphalt is torn up west of Cline on an access ramp. Imad Samara stated he would check the status.

Policy Committee - There was no report.

Other Issues – Chairman Biller asked Imad Samara about the V-2 contract. Imad stated that July 18 is the target date to have it out for bid. They would award a contract in mid-September. The completion date is 750 calendar days which should take about one year and eight months. Mr. Biller asked how that ties in with Cabela’s schedule of construction and opening. Imad will check and report back at the next meeting.

- Mr. Biller asked staff to check on the water level at the Carlson-OxBow park. Mr. Pokrajac replied that he has looked at it and the water level is not up. He talked to Charlie Blaine of the Hammond Parks Dept. to explain that the Hammond Parks Dept. can set the water level by use of the sluice gate. Currently, the water level is higher in the park than the river because the sluice gates are closed.

Statements from the Floor – There were none.

There being no further business, the meeting was adjourned. The next scheduled Board meeting is set for 6:00 p.m. on Wednesday, July 11, 2007. Please note this is not the regular first Wednesday of the month because of the July 4th holiday.