

MINUTES OF THE LITTLE CALUMET RIVER BASIN DEVELOPMENT
COMMISSION HELD AT 6:00 P.M. WEDNESDAY, APRIL 9, 2008
6100 SOUTHPORT ROAD
PORTAGE, INDIANA

Chairman William Biller called the meeting to order at 6:10 p.m. Seven (7) Commissioners were present. Pledge of Allegiance was recited. Guests were recognized. It was stated that the April 2 meeting had been cancelled because of lack of quorum.

Development Commissioners:

Mark Gordish
Robert Huffman
Steve Davis
William Biller
Arlene Colvin
Kent Gurley
John Mroczkowski

Visitors:

Bill Petrites – Highland resident
Elizabeth Johnson – Congressman's Office
Karen Lorenz – Southmoor Road, Hammond
Imad Samara – Corps of Engineers
Ruth Mores – Southmoor Road citizen group
Susan Brown – The Times
Dean Button - SEH
Barbara Whitaker – Munster resident
Kimberly Poland – Hammond Councilwoman
Dan Repay – Hammond Councilman
Frank Petrites – Highland resident
Eric Potter – Post Tribune

Staff:

Dan Gardner
Sandy Mordus
Jim Pokrajac
Judy Vamos
Lou Casale

The minutes of the meeting held on March 5, 2008 were approved by a motion from Bob Huffman; motion seconded by Arlene Colvin; motion passed unanimously.

Chairman's Report – Chairman Bill Biller thanked Vice Chairman Bob Marszalek for running the last two meetings in his absence.

• Chairman Biller discussed the meeting held at Mayor McDermott's office on March 11 regarding Stage V-2, which is the ongoing construction from Kennedy to Northcote. Representatives from the Congressman's Office, the Mayor's Office, the Economic Development office, Dyer Construction (the contractor), Cabela's, Christopher Burke Engineering (consultant to Hammond), Army Corps, and the Commission attended. The concern is how we can move construction to an earlier completion date. Utility relocation agreements for the pipelines were also discussed. The next meeting is scheduled for April 16. Mr. Gardner added that the contractor has stated that the major variable to finishing earlier is the weather. They have enough clay available to finish. Sheet piling is on site and ready to be installed. Mr. Gardner stated that we are making progress with the railroad and NIPSCO real estate agreements but they are still options to the contract. The city has engaged Christopher Burke Engineering to aid the city in helping facilitate the paperwork with FEMA so that segment will come out of the floodplain and be made available for development as soon as construction of Stage V-2 is completed.

Action Required – Treasurer Kent Gurley presented items for action. He proceeded to make a motion to approve the monthly claims of \$207,746.47; the motion was seconded by John Mroczkowski; motion passed unanimously.

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- **Mr. Gurley then made a motion to approve the O&M claims in the amount of \$23,126.00; motion seconded by John Mroczkowski; motion passed unanimously.**
- **Mr. Gurley then made a motion to approve the easement purchase of DC-1233. This money will come out of the Munster funds earmarked for the Stage VII segment in Munster. Motion seconded by John Mroczkowski; motion passed unanimously.**
- **Mr. Gurley informed the Board members that the Finance Committee had met with NIRPC to obtain an explanation of increased costs and also had met individually with the independent contractors. Based upon that meeting, he proceeded to make several motions. He made a motion to approve the NIRPC contract for administrative services for 2008; motion was seconded by John Mroczkowski; motion passed unanimously.**
- **Mr. Gurley then made a motion to approve the 2008 contracts for the independent contractors (Engineering Agent, Land Acquisition Agent, and Crediting Technician/Land Acquisition assistant) retroactive to January 1, 2008; motion was seconded by John Mroczkowski; motion passed unanimously.**
- **In Committee Chairman Bob Marszalek's absence, Judy Vamos gave the report. She presented DC-1381 for action for condemnation. At this point in time, she has not been able to find the owners of the property. Motion was made by Bob Huffman to authorize the filing of the condemnation on DC-1381; motion seconded by Arlene Colvin; motion passed unanimously.**

Executive Director's Report – Mr. Gardner informed the Board members that we received the standard funding agreement from RDA for entities that they approved funds for. We requested the first draw of \$1,315,000 for the cost share monies to be placed in the Corps escrow account. The remaining money from the \$6 million will be used for relocation costs of utilities, costs to acquire remaining easements, Griffith levee costs/FEMA requirement and 7% cash share. Kent Gurley inquired about the escrow account. He stated that he would like the Finance Committee to review this account. After discussion, Bob Huffman made a motion to enter into the agreement with RDA contingent upon attorney's final review; motion seconded by Arlene Colvin; motion passed unanimously.

• **Mr. Gardner referred to the proposal submitted by SEH to perform additional utility relocation engineering/survey work for Stage VIII at an estimated cost of \$19,586, as per a request from the Corps. SEH is familiar with the work, already under contract with the Commission, and is the consultant for the Hammond Sanitary District. The work needs to be done quickly so it does not delay Stage VIII contract award date. Mr. Gurley made a motion to authorize SEH to do the work at a cost not to exceed \$19,586; motion seconded by Bob Huffman; motion passed unanimously.**

• **Mr. Gardner referred to a letter from Hammond Councilman Dan Repay regarding standing water in residents' backyards east of Northcote because of the newly-built Cabela's levee. Mr. Gardner talked to Cabela's and forwarded the letter to them. Cabela's responded in a letter that they intend to permanently remedy the situation by constructing a drainage ditch in back of their property near the toe of the levee as soon as weather permits. Currently, any standing water will be pumped out of the backyards. Mr. Gardner will inform the Board when the ditch is constructed. Resident Ruth Mores voiced a concern that the same situation will happen in the Stage VIII area where rain water behind the homes that currently drains to the river will not be able to reach the river once the line of protection is constructed.**

Finance Committee – Committee Chairman Kent Gurley reported that finance action was already taken. There is no financial statement for end of February in the agenda packet; there will be one in the May packet.

- Mr. Gurley also stated that the State Board of Accounts is still auditing the financial records for 2006 and 2007. They should be finished shortly; a report will be given at the next meeting.

Land Acquisition/Land Management Committee – In Committee Chairman Bob Marszalek 's absence, Judy Vamos reported on land acquisition. She reported that work is ongoing on the three stages (Stage V-2 (construction ongoing), Stage VII and Stage VIII).

In Stage V-2, there are still two remaining real estate acquisitions that have not been resolved. They are the NSRR and NIPSCO. We are close to a solution on the NIPSCO agreement. Ongoing discussions are ongoing with the railroad in attempting to work out the language regarding the rights of the Corps and the railroad issue without going to trial.

Stage VII has 27 signed easements out of 34. There are three condemnations ongoing; two utilities that are reviewing Corps engineering; and 2 private acquisitions that are in negotiations.

There are a total of 93 acquisitions in Stage VIII. Offers will be sent as soon as appraisals, re-appraisals (based on modified levee alignment), and reviews are completed. All efforts to seek prompt response are underway. At this time, it appears that the May 7 deadline for all real estate acquisition will not be met. Discussions regarding the current date to advertise will be discussed in the next few weeks. Chairman Biller added that we need to take a hard look at the 30-day accept/reject of the offers. If the offer is rejected, the attorney is directed to file condemnation as soon as possible. We will continue to make every effort to keep this project on track and meet the Congressman's deadline date. Mr. Gardner added that we will be scheduling a meeting with the Stage VIII residents after all offers are out.

- Regarding land management issues, Mr. Pokrajac reported that staff met with NCRS (National Conservation Resource Services) and took them on a tour of the land they are considering for their mitigation development. They will establish a value to the land. Mr. Gardner added that we have since received a letter from them questioning mitigation already committed to on that parcel of land. Staff will respond and share the response at the next meeting.

- Attorney Casale gave an overview of the meeting with LEL held on March 27 regarding the +26 acres east of Clay Street in Lake Station. This is property owned by the Commission which is surplus to the flood control project and is non-developable. We solicited last year for a proposal to develop a wetland mitigation bank on the acreage. LEL was the only respondent. They already have a wetland bank adjacent to both sides of the property. LEL is proposing the following: They would enter into an agreement with the Commission to develop, operate, and market a mitigation wetland bank for the +26 acres; option fee would be \$10,000 paid full upon execution of agreement; option would be to January 2009 and would allow time to apply for permits to develop the wetland bank on behalf of the Commission. Upon execution of option, they would pay an additional payment of \$95,000 to the Commission. Upon sale of mitigation credits, they would pay the Commission 10% of proceeds in sales plus \$750 per sold acre to be held in escrow for maintenance of their

project. Bob Huffman made a motion authorizing the attorney to develop a contract with them; motion seconded by Kent Gurley; motion passed unanimously. Attorney Casale suggested LEL be invited to the next meeting to answer any questions the Board members may have.

Project Engineering Committee – Committee Chairman Bob Huffman gave the committee report. Mr. Huffman reported that staff has received modifications to ongoing construction contracts from the Corps. They are available upon request.

- Stage V-2 progress meetings were held on March 5 and 19, 2008.
- Jim Pokrajac stated that all agreements for pipeline relocation and reimbursement were mailed out no later than March 19. We have a signed agreement with NIPSCO and Wolverine has responded back to us with a question that the attorney is reviewing.
- Regarding Griffith levee certification, Mr. Pokrajac stated that staff and the Corps met with Griffith officials on April 9, 2008 to field assessment to determine what needs to be done for certification. The Corps will be comprising an inspection for our comments, and we can supplement with our notes. The final report will state what is required for the levee to be certified. A meeting will be held in a few weeks with FEMA, the Corps, and the Congressman's Office to review certification from Cline Avenue to Northcote.
- The INDOT pump station on Indianapolis Blvd in Highland is on schedule. The pump station is part of the INDOT contract for paving and drainage between Ridge Road and the river.
- Chairman Biller inquired about the status for providing a schedule that the Corps is developing for us. We had requested one to show all remaining projects in order to monitor the time frame. Mr. Gardner said that we will meet to discuss it once it is received. Imad Samara said that the Corps should be able to get us a schedule within the next couple of weeks.

Operation & Maintenance Committee – Committee Chairman Bob Huffman referred to a letter from INDOT regarding the replacement of flap gates at Kennedy and Indianapolis. Mr. Pokrajac stated that the Corps is doing engineering review on it right now to assure compliance. Mr. Gardner added that we still have not seen a final report from INDOT's consultant on the flooding situation that closed the Borman last August.

- Jim Pokrajac reported that Austgen Electric is finishing up the sluice/flap gate repair. Only six remain to be completed. Inspection is scheduled no later than mid-June. All inspections are to be completed by June 30. We will be meeting with the city of Gary before those inspections to further discuss/enact O&M turnover.
- Mr. Pokrajac has turned over "as-built" drawings for the Burr Street betterment-Gary levee. He has asked Hammond, Highland, and Gary again for comments on O&M manual.view to be submitted.
- Commissioner Arlene Colvin will help facilitate/schedule another meeting with the city officials

O&M Funding Committee – Committee Chairman Kent Gurley stated that the Committee met on March 12 to discuss ways to explore funding options for O&M for the cities and towns. We need more detail presented to us so we can make a decision to enter into an agreement with a consultant. Discussion also took place regarding a progress schedule so we

can monitor it better than we have been. Chairman Biller will pursue getting in touch with Umbaugh.

Legislative Committee – Mr. Gardner stated that the RDA agreement refers to the “reimbursement” of the \$6 million. Mr. Gardner will work with Senator Frank Mrvan and the Governor’s Office to see how to proceed with the payback from the State.

Environmental Committee – There was no report.

Recreation Committee – Committee Chairman Bob Huffman referred to the committee agenda. He reported that it appears that grant money will be used for paving portions of the trail near Cabela’s. The city of Hammond, with support from the town of Highland, submitted the grant request.

Policy Committee - There was no report.

Other Business – Chairman Biller inquired whether we have heard anything regarding the Commission member replacement. Mr. Gardner said that we did receive a phone call from Porter County Commissioner Bob Harper for information regarding their appointment.

Statements from the Floor – Barbara Whitaker, Munster resident, submitted a letter to Mr. Gardner stating her concerns that she would like addressed. They included tree removal resulting in lack of privacy; the possibility of installing a cyclone fence that will serve as a screening for the residents; the question of what is to become of the USGS monitoring building on the west side of the ditch (Mr. Pokrajac indicated this building will be removed); the request for coloring of the “faux stone wall” to blend into natural surroundings; the time table for landscaping by the town. Her, and the other residents, are worried about the aesthetics of the project area upon completion of the construction. Mr. Gardner will answer her letter. A number of the requests can only be evaluated and performed once the basic flood control construction is complete.

- Ruth Mores of Southmoor Avenue in Hammond iterated her concern about the drainage issue in her area once the levee/flood wall is in place. She felt the drainage issues east of Northcote are a good example of how the Corps causes drainage problems. She wants assurance that rainwater and sub-surface drainage in her area will be able to reach the river and not flood backyards. She is still awaiting a response to her letter dated February 28, 2008. She would like the drainage issue addressed before a flooding event would happen. As it stands now, she feels that it has not been adequately addressed. Mr. Gardner replied that he will prepare a technical answer and get it to her. She also expressed concern about future maintenance of the project once it is completed. Another issue was the loss of the old growth trees; she did not think the appraisal takes into consideration the value of those trees. Judy Vamos answered that trees on respective properties were addressed in the appraisals. Mr. Gardner stated that staff will check to see if any trees were missed.

- Karen Lorenz, a Southmoor resident, expressed her concern about drainage and about future maintenance. Mr. Gardner stated that is one of the reasons that a new committee has been formed – to look at funding options for O&M. Imad Samara stated that the Army

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Corps will not do any maintenance. They will look to the local sponsor, the LCRBDC, to either do the maintenance themselves or have an agreement in place with another entity to do the maintenance. The Army Corps will have an inspection every year to make sure that O&M is being adequately addressed and assure compliance to stay out of the floodplain.

There being no further business, the meeting was adjourned. The next scheduled Board meeting is set for 6:00 p.m. on Wednesday, May 7, 2008.