

**MINUTES OF THE LITTLE CALUMET RIVER BASIN DEVELOPMENT
COMMISSION HELD AT 6:00 P.M. WEDNESDAY, FEBRUARY 4, 2009**

Held at
Munster Town Hall,
1005 Ridge Road, Munster, IN

Chairman Dan Dernulc called the meeting to order at 6:05 p.m. Roll call of six (6) Commissioners declared a quorum. Pledge of Allegiance was recited. Chairman Dernulc thanked the visitors for coming.

Development Commissioners:

Mark Gordish
Dan Dernulc
Arlene Colvin
William Baker
Ron McAhron
Kent Gurley

Staff:

Jim Pokrajac
Sandy Mordus
Lou Casale
Judy Vamos
Lorraine Kray

Visitors:

Bill Petrites – Highland
Carolyn Marsh – Sand Ridge Audubon
Patricia Piekarczyk – Munster
Pat Huber – Munster
Ruth Mores – Southmoor Rd, Hmd
Christine Kutkoski – Southmoor Rd, Hmd
Mike Zarantonello – Southmoor Rd, Hmd
Carol/Don Bednar – Baring Avenue
Thomas Hayes – River Drive, Munster
Eugene Lesko – Madison St, Munster
Jill Brazinsky – Madison St, Munster
Beatrice Plunard – Howard Ave, Munster
Clarence Seagraves – Monroe Ave, Munster
John Harrigan – Northcote, Hmd
Denis Buksa – River Drive, Munster
Bernie/Kaaren Mashwa – Monroe, Munster
Bill Knosuica – Jackson, Munster
Craig/Beatrice Hanusin – Howard Ave, Munster
Jayson Reeves – 21st Ave., Gary
Bob/Ruth Krol – River Drive, Munster
Susan Wood- Munster

Visitors:

Patti Mize – River Drive, Munster
Nureya Rosales – Jackson Ave, Munster
Karen Lorenz – Southmoor Rd, Hmd
David/Burdette Piatiak – Monroe, Munster
Lance/Marie Barrows – Monroe, Munster
Lynne Whelan - USACOE
Fred Connor - Munster
Sharen Grady – Monroe, Munster
Barb Spolnik
Bill Polkard - Munster
Kevin Cappo – River Drive, Munster
Jess Shesek – Jefferson, Munster
Irene Behling - Munster
Tom Drake – Columbia, Munster
James/Kalliope Dedelow - Munster
James Peterman – Lincoln, Munster
Elizabeth Jones – Baring Ave, Munster
Leon/Alice Kozlowski – Oakwood, Munster
John Mogle – Baring, Munster
Rick/IMaril Grigsby – Northcote, Munster
Robert Farag – Griffith Golf Center
Bill Howard – Northcote, Munster
John Novak – Tapper, Munster
Elizabeth Howard – Northcote, Munster
Michael Jabo – DLZ, Hammond
Mike McPhillips – INDOT LaPorte District
Charles Seligman – Jackson Ave, Munster
Bob Paulson – Northcote, Munster
Bob/Wendy Carlson – Jackson, Munster
Kris Stamos – Harrison, Munster
Steve Hadrnak Forest Ave, Hmd
Paul/Marylou Daniels– Castle Dr, Munster
Rich Kusicich – Baring, Munster
Savo Rajkovic – Monroe Ave. Munster
Elizabeth Johnson – Congressman's Office
Dave Nellans – Munster Town Council
Roy Deda - USACE
Imad Samara - USACE

There were no changes to the minutes of January 7 and January 21. Minutes stand as posted.

Chairman's Report – Chairman Dan Dernulc presented the Right-of-Entry for Stage VII to Imad Samara, Project Manager, USACE. Stage VII construction segment is from Northcote to Columbia, both sides of the river. Bill Baker made a motion acknowledging that the Commission has acquired the easements needed for Stage VII and the attorney has attested to that fact in the signing of the Attorney Certificate accompanying the right-of-entry; motion seconded by Mark Gordish; a roll call vote was taken; motion passed 6-0. Chairman Dernulc stated that the Commission is working hard toward completing Stage VIII and we hope that it will follow in the near future.

Action Required – Treasurer Kent Gurley presented items for action.

- Mr. Gurley acknowledged the replacement monthly budget sheet distributed to the members and explained how the budget sheet is always at least a month behind the current date. The figures are always reflected for the end of the preceding month.
- Mr. Gurley referred to the claims payable for January at a total of \$51,695.83 and made a motion to approve the claims; motion seconded by Arlene Colvin; motion passed with a roll call vote of 6-0.
- Mr. Gurley made a motion to approve the O&M claims in the amount of \$75.93; motion seconded by Bill Baker; motion passed with a roll call vote of 6-0.
- Mr. Gurley made a motion to approve the month-to-month administrative contract with NIRPC with slight increases as well as approval of independent contractor contracts for James Pokrajac, Judy Vamos, and Lorraine Kray (all on a month-to-month basis with the same rate as last year); motion seconded by Arlene Colvin; motion passed with a roll call vote of 6-0.

Search Committee – Ron McAhrn stated that the committee has not met and has not begun the process yet. At this point in time, the committee is still not certain whether to go with a firm or an individual. He hopes to have something more definitive next month. Of course, there is still the issue of not having any funds available to sign a contract with anyone.

Finance Committee – Treasurer Kent Gurley referred to the Financial Statement for the month ending December 31, 2008. He pointed out that the Statement is about six weeks behind. He referred to page 12 in the packet which is the NIRPC invoice for December 2008.

- Mr. Gurley then referred to the RDA letter dated December 31, 2008 which accompanied the check the RDA loaned to us for \$1,701,742. The letter has asked the Commission to provide a plan outlining four questions. The Commission will respond to the letter within the 90 days the letter has asked for. Chairman Dernulc said a special work study session may be called to formulate a response letter to the RDA. He would like to take action on the letter at the March meeting.

Land Acquisition/Land Management Committee – Commissioner Arlene Colvin reported that there is no action to be taken. Now that the Army Corps can advertise Stage VII, we will put all our efforts into completing Stage VIII as quickly as we can. At this point, there are four acquisitions still in condemnation and there are three landowners who signed their

offers but need to sign the actual easement agreements. With no complications, the area from Calumet Avenue to the CSX RR will have acquisitions acquired by mid March. The Corps is now reviewing acquisition of the four houses west of Hohman Avenue; they will be doing a gross appraisal of the houses for fair market value for budgeting purposes.

- Commissioner Bill Baker reported that there are three areas that will be going for bids for farming. The total combined acreage is approximately 300 acres. We hope to have the bids back before the next Commission meeting. Mr. Baker also stated that he is reviewing the assets of the Commission to see if there is an opportunity to obtain additional money that might help supplement future O&M expenditures.

Engineering Committee – Jim Pokrajac stated that progress meetings for Stage V-2 are held weekly as per the contract, and pipeline corridor coordination is included as part of the agenda. He stated that it should be about a 60-day completion to complete all the utility relocation work on the pipeline corridor as outlined in the Stage V-2 specifications. The contractor can then start driving sheet piling. They will be working on the NSRR corridor soon.

- Mr. Pokrajac reported that Stage VII utility agreements are all completed. The last one that was just received was BP Pipelines and now that we have it in place, the Army Corps can advertise this stage.

- Mr. Pokrajac reported that we have completed Stage VIII utility relocation agreements and there are three remaining utility maintenance agreements that are out and waiting to be signed. The final back check set of engineering for VIII have been completed and submitted to the Corps. All municipalities and pipelines had the opportunity to comment on the plans one final time.

Operation & Maintenance Committee – Jim Pokrajac stated that he is proceeding with emergency O&M only as indicated in the approved line items as part of the RDA funding. This includes keeping the pump stations running, for removing a log jam, and some minor issues with sluice/flap gates to make sure they are in working order.

Operation & Maintenance Funding Committee – Commissioner Kent Gurley discussed his attendance at a Hammond City Council meeting in which he appeared before them as a Hammond resident. He asked them to consider, that given the substantial amount of Hammond residents living in the flood plain, contributing some monies toward the completion of the levee system and also toward the maintenance that will follow in future years.

Legislative Committee – Commissioners Ron McAhron discussed several proposed bills in this legislative session. SB185 proposes \$15 million from the General Assembly to the Commission to complete the flood control project. This bill is sponsored by Senator Frank Mrvan and it has been assigned to the Appropriations Committee. This biennial budget does not start until July 1. The Commission is pursuing some avenue to acquire funds prior to that date because we do not have enough money to carry us through until then. He understands that there is still \$1 million in the first year budget and he will ask that it remain there. There is a Ways & Means meeting coming up that Mr. McAhron will attend. He also mentioned that we have to start talking about O&M money.

- Mr. McAhron referred to HB1692 which would sunset many boards and commissions, the LCRBDC being one of them. The bill was introduced by Representative Borrer and it has now been sent to Rules & Legislative Procedures.
- HB1716 introduced by Representative Soliday, restructures the Commission from an 11-member board to a 5-member board. It has been assigned to a committee. Mr. McAhron talked about the most effective way would be to restructure the Board for an O&M purpose, rather than a flood control project.

Other Business – Chairman Dan Dernulc talked about the meeting that was held with Colonel Quarles, District Director Roy Deda, and Imad Samara on January 28. It was an informal meeting where the Corps provided information on the history of the project, and how we need to keep moving forward. It is in everybody's best interest to work together, efficiently, to complete the construction as quickly as possible.

- Imad Samara stated he has updated the Corps web site. The site is located at www.lrc.usace.army.mil. Click on "Project Information"; then go to the letter "L" to find Little Calumet River. Project information will be found there and is regularly updated.

Statements from the Floor – Chairman Dan Dernulc asked that statements be kept to a "polite" 3-minute time period. Statements were received from the floor by Mike Zarantonello, Bob Farag, Jason Reeves, Kevin Cappel, Carolyn Marsh, and Bill Howard.

- Mike Zarantonello reiterated his concern about the residents wanting an independent review of the Corps design plan that affects their area on Southmoor. He has made a formal request for the Commission to pursue this. He submitted a letter to the Commission, as well as to Governor Daniels, Senators Lugar and Bayh, and Congressman Visclosky. Those letters are attached hereto and made part of these minutes as Exhibit "A" and "B".
- Bob Farag from the Griffith Golf Center stated he has not been able to get any kind of response from FEMA for his situation. Chairman Dernulc asked Jim Pokrajac to talk to Mr. Farag and see what kind of assistance we can give him.
- Jayson Reeves from Gary suggested the Commission work closer with the storm water management firms and sanitary districts within the cities. He is concerned that a flooding situation will occur again before the project is completed. He also noted that, in his opinion, the utility relocation costs are very high.
- Kevin Cappel, whose house flooded in Munster, complimented the Munster town officials on the "build-up" of the existing levee in Munster and having that work done within a six week period. He stated his concern about sediment buildup. He reiterated that his neighborhood would prefer a floodwall rather than the proposed earthen levee. Chairman Dernulc asked him to put his request in writing and we will pass it on to the Corps.
- Carolyn Marsh, Sand Ridge Audubon Society, reiterated her concern about building in the wetlands. She stated "if you have a balance between developed areas and non-developable areas, the wetlands will save the developed areas from flooding". She thinks that the golf courses should hold water in times of flooding. She asked for a report of what the project design is for this area and how it impacts the Griffith Golf Center. She also asked the Commission to re-consider the second phase of development at Cabela's. She asked to go on record that her concern be addressed. Imad Samara stated he would work with Jim Pokrajac and get a response to Carolyn.
- Bill Howard confirmed that Stage VII right-of-entry was given to the Corps tonight. He asked when Stage VIII right-of-entry would be ready to do. Chairman Dernulc referred to attorney Casale. Attorney Casale stated there were three easements from residents and the

railroads that we need an easement from. He is hoping to have them in place by the end of next month. Ron McAhron added that it is being considered to have the Southmoor area be bid as an option to the contract, which means that once all other Stage VIII easements are obtained, we can give the right-of-entry to the Corps for advertisement and then we will have one year from the Notice to Proceed to complete the acquisition of the Southmoor area.

There being no further business, the meeting was adjourned. The next meeting is scheduled for Wednesday, March 4, 2009 at the Munster Town Hall.



**MICHAEL
ZARANTONELLO**

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February 04, 2009

Little Calumet River Basin Development Commission
Entered to the Commission
Commission meeting February 04, 2009

RE: Plan review for stage VIII

Commission Members,

On January 21, 2009, we discussed the possibility of reviewing the levee plans for the Southmoor area in stage VIII.

At this time, I formally ask that you request the Governor and the USACE Chief of Engineers for an independent review of the plans. The Federal WRDA of 2007, also called The Levee Safety Act of 2007, states the following:

Section 2034 -

Requires project studies to be subject to a peer review by an independent panel of experts if: (1) the project has an estimated total cost of more than \$45 million, including mitigation costs; (2) the governor of an affected state requests a peer review by an independent panel of experts; or (3) the Chief determines that the project study is controversial (in cases where there is a significant public dispute as to the nature or effects of the project or the economic or environmental costs or benefits). Limits costs of panels.

You are the sponsors of the project and some are appointed, by the Governor, to be the stewards of the project in his absence. Your job is to recommend the proper course to achieve the best results.

When Rep. Visclosky was approached about the review, he stated that the Commission was the body that would facilitate the review. That is why Professor Roy Evans wrote his request to the Commission.

Clearly, there is significant public dispute in this matter and that the economic costs are an issue.

I ask for no less than the independent review as per the Federal law. You work under the WRDA of 1986 and I would hope that you also would abide by the WRDA of 2007.

Exhibit "A" 6



A comprehensive review should evaluate new studies as to the following factors:

- * Effects of the control structure at Northcote
- * Flood patterns projected by the new FEMA DFIRMS
- * Effect of the TARP/Deep Tunnel Project in Illinois
- * Flow patterns for the Hohman bridge.
- * Analysis of the actual flood pattern of the 9/14/08 event
- * Lack of watershed and overbank water retention areas
- * Levee drainage system

The fate of the area Southwest of the Hohman bridge has yet to be decided. The treatment of this area will greatly affect the Southmoor area.

This procedure is meant to be an oversight mechanism for the Corps' plans. The local Corp is to have no part in this process.

The Chicago Corp responded to our request by saying that although the Southmoor residents may not flood, their neighbors to the North may flood.

If there is no overbank flooding on Southmoor and Fema has Certified us to be out of the 200 year flood zone, then why are we not identifying where the flood waters are coming from and, instead, just slap up a levee on Southmoor?

I would also like to apprise you of this part of section 2033 of the WRDA of 2007:

Requires a feasibility study for a flood damage reduction project to include, as part of the cost/benefit calculation, calculations: (1) of the residual risk of flooding, of loss of human life, and to human safety following completion of the proposed project; (2) of any upstream or downstream impacts; and (3) to ensure that the benefits and costs associated with structural and nonstructural alternatives are evaluated in an equitable manner.

We have only heard of levee or no levee as the options. Are there other acceptable alternatives that would mitigate the environmental damages as well as financial damages?

I remind you that the Corps' studies for the Heron Rookery have been found to be faulty and that the Corps' sandbagging of the Northcote Bridge is not the answer.

As for our concern for reverse flooding in our backyards and basements from the levee, one of the many promises not kept was a comprehensive explanation of the drainage system. We also asked for existing use of the drainage system.....surly, we are not the only place in America that has a levee so close to our homes! If our concerns are realized, you will be responsible for the costs of reverse condemnation.

I ask that you request a review for all involved.

Sincerely,

Michael Zarantonello



**MICHAEL
ZARANTONELLO**

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February 3, 2009

Governor Daniels
Via fax 317-232-3443
Senator Lugar
Via fax 202-228-0360
Senator Bayh
Via fax 202-228-1377
Representative Visclosky
Via fax 202-225-2493

RE: The Little Calumet River Levee Project

Gentlemen,

In the Fall of 2008, you received a request for a review of The Little Calumet River Levee Project along Southmoor Road in Hammond, Indiana. Your actions ranged from no response to a short justification from the Chicago Corp.

Let me remind you that my request was based on The WRDA of 2007, also named The Levee Safety Act of 2007. All U.S. Congressmen from Indiana voted for passage of this bill.

The Act states the following:

Section 2034 -

Requires project studies to be subject to a peer review by an independent panel of experts if: (1) the project has an estimated total cost of more than \$45 million, including mitigation costs; (2) the governor of an affected state requests a peer review by an independent panel of experts; or (3) the Chief determines that the project study is controversial (in cases where there is a significant public dispute as to the nature or effects of the project or the economic or environmental costs or benefits). Limits costs of panels.

Exhibit "B" 8



Clearly, the Governor has the right to ask for a review and there is unparalleled dispute and concerns by your constituents.

At the January 21, 2009 Commission meeting, I once again asked the Commission to request a review of the plans for The Southmoor Road area from Lyman St. to Hohman Ave. As we engaged in a conversation about this matter, Commission members, appointed by the Governor and others, warmed to the thought that a review might be prudent. The cash strapped Commission may be able to reduce project costs with the review of the 23 year old plan. I have enclosed a NWI Times report as to their reaction. Please note that the Commission feels that a review may not delay the project.

I would hope that you would share the feelings of your appointees.

FEMA has a new DFIRM for the area and we believe that it will show that the flood threat in our area is not from the river at Southmoor, rather, for the areas to the East and West that will have levees. We are already certified by FEMA to be out of the 200 year flood zone. The Corp states that they are not in the business of taking people out of the flood zone. That is FEMA's decision.

In response to Mr. Visclosky's letter to the Corp, on this matter, they state that, although residents along Southmoor may not flood, their neighbors to the North may.

Once again, Gentlemen, I ask that you request an independent review as per The WRDA of 2007. Please contact Lt. General Van Antwerp, Chief of Engineer and the Levee Commission with your support of the review and to put this matter to rest.

Sincerely,

Michael Zarantonello