

- I. **Call to Order:** The RDA meeting was called to order at 1:30 p.m. on Wednesday, October 1, 2008 with Chairman Leigh Morris presiding.
- II. **Roll Call:** Present: Leigh Morris, Harley Snyder, Lou Martinez, Bill Joiner, and Gus Olympidis. Five members were present constituting a quorum. Howard Cohen and Carmen Fernandez arrived following the report of Joe Krnich, financial auditor to the RDA.
- III. **Consent Agenda:** B. Joiner moved to approve the consent agenda with a second by H. Snyder. All were in favor of the motion and the consent agenda was approved.
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| a. <u>Minutes of the Board Meeting of 8/19/2008:</u> | Approved |
| b. <u>Minutes of the W.G. Meeting of 8/25/2008:</u>  | Approved |
| c. <u>Minutes of the W.G. Meeting of 9/08/2008:</u>  | Approved |
| d. <u>Minutes of the W.G. Meeting of 9/22/2008:</u>  | Approved |
| e. <u>Treasurer's Report:</u>                        | Approved |
| f. <u>Consultants Report:</u>                        | Approved |
| g. <u>Executive Directors Report:</u>                | Approved |
| i. <u>Work Plan:</u>                                 | Approved |
| h. <u>Chairman's Report:</u>                         | Approved |
- IV. **Special Order of Business:**
- a. **Financial Audit:** Joe Krnich, financial auditor to the RDA reported that the audit committee approved the audit of the RDA at the committee meeting on September 26, 2008. J. Krnich was seeking feedback and approval of the audit from the full RDA Board. B. Joiner noted that there were several items T. Sanders will be addressing within the next 45 days and bring back to the Board for review. B. Joiner moved to accept the findings of J. Krnich's firm with a second by L. Martinez. All were in favor of the motion and the audit report was approved. J. Krnich will forward the audit report to the appropriate state agencies.
- V. **MBE/WBE Report to Board:** Tammi Davis, compliance consultant to the RDA distributed a report to the Board indicating current MBE/WBE project compliance among grantees. She reported that the majority of the grantees were not made aware of MBE/WBE compliance; that was because the language was not included in earlier grant agreements. Since the grantees were not made aware of compliance with MBE/WBE in their contractual agreements they did not aim to meet the goals of 15% MBE and 5% WBE. Overall, the numbers do not look well in regards to the 15% and 5%. That is primarily due to early agreements were MBE/WBE language was not included. T. Davis recommended including a frequently asked questions list in grants, on the RDA's webpage and standardized documents.

B. Joiner reported that the RDA is required by the state to make available 15% to MBE's and 5% to WBE's of total RDA dollars expended. He requested that T. Davis create an action plan to look for the grantees to make up the difference for utilization of RDA funds.

B. Joiner moved that all grants extended by the RDA from inception to date and going forward in regards to past and future would be in compliance with the state law of 15% MBE and 5% WBE in terms of dollar amount. In any instance in which a grantee is found to be in none compliance the grantee may use non RDA construction projects going forward in order to come into compliance. It will also suspend future RDA funding until an action plan has been submitted to the RDA by the municipality, town or entity that would ensure the RDA that it is acceptable in terms of bringing that entity into compliance with the RDA and state law, with a second by L. Martinez.

L. Martinez questioned how existing contracts (i.e. Forum) are to rectify the problem? B. Joiner suggested working towards the efficiency of compliance in CY 2009.

H. Snyder believed that past grantees should not be held responsible for Board mistakes, stating that the Board needs what T. Davis has suggested. H. Snyder holds the blame on the Board rather than the grantees.

T. Davis stated that there are three separate grant agreements that have been approved. The first version grant agreement has no language addressing MBE/WBE compliance. The second versions grant agreement's mention compliance with MBE/WBE. The third versions grant agreement's mention monitoring and compliance, but also reporting requirements.

L. Martinez questioned the ramifications for the RDA if MBE/WBE compliance has not been met? D. Hollenbeck reported that no ramifications exist to date. However, there could be an amendment to create a sanction which may limit state funding in the future.

B. Joiner stated that what is of concern to him is the language of the documents in our grant agreements. The only time he wants to see an action plan is when a grantee is not in compliance. B. Joiners suggestions included the RDA giving each grantee the opportunity to get back into compliance through none RDA related projects or by bringing an action plan to the Board for approval. Once the action plan has been approved by the Board, the grantees funding will move forward.

H. Snyder moved to table the motion pending a report from T. Davis with a second by L. Morris.  
Individual vote on motion to table B. Joiner's original motion:

C. Fernandez	No
H. Cohen	No
B. Joiner	No
L. Morris	Yes
H. Snyder	Yes
L. Martinez	No

The motion to table was defeated.

L. Morris recognized the importance of B. Joiners motion but believed that there are serious issues that need to be looked at carefully before the Board votes on it. This is the first time the Board has heard the language and should have the opportunity to review it to understand its implication. Also, the review by legal counsel is important. L. Morris stated that he will vote against the original motion, because he feels it needs to be properly vented and made apart of an overall plan that comes back to the RDA Board for review.

L. Morris called an individual vote on B. Joiners original motion:

C. Fernandez	Yes
H. Cohen	No
B. Joiner	Yes
L. Morris	No
H. Snyder	No
L. Martinez	Yes
G. Olympidis	No

The original motion was defeated.

L. Morris requested that T. Davis, in conjunction with Policy Analytics, LLC come back to the Board with further recommendations and the outlining of the plan with the consequences of non-compliance, and the remedies that can be utilized and then analyzed by the legal counsel. T. Davis requested 30 days to come back to the Board with a final plan. H. Cohen requested receiving the information 10 days in advance, and also including the process by which determination and sanctions will be imposed and stated in the policy. C.

Fernandez also requested calling a special meeting in the case that the 30 days falls in between two meetings. This is in order to move this process forward.

D. Hollenbeck questioned if in the monitoring process would the Board like to include the use of "Indiana businesses". The Board said yes, but believed it should be consistent with the way it was written in the law.

**VI. Action from Board:**

- a. East Chicago Application for Financial Support:** T. Sanders reported that the City of East Chicago has submitted an application for financial support for the demolition of the water filtration plant. It is apart of the Marquette plan and opens up the lakeshore for public use. The request is in the amount of \$1.980 million. He recommended to the Board to accept the application and forward it to the Shoreline Working Group. So moved by H. Cohen with a second by B. Joiner. All were in favor of the motion and the East Chicago application for financial support for the demolition of the water filtration plant was approved.
- b. Hammond Application for Financial Support:** T. Sanders reported that the City of Hammond has submitted an application for financial support for Hammond's lakes' area Marquette Plan improvement projects. The request is in the amount of \$31 million. He recommended to the Board to accept the application and forward it to the Shoreline Working Group. So moved by H. Snyder with a second by L. Martinez. All were in favor of the motion and the Hammond application for financial support was approved.
- c. Valparaiso Application for Financial Support:** T. Sanders reported that the Valparaiso Economic Development Corporation submitted an application for financial support. They are beginning work on an area near the Valparaiso Airport and requesting \$225,000 for this work. T. Sanders stated that this is an important project but does not fit in with one of the four projects outlined in the RDA's strategic plan and he recommended not accepting this project. There were Board discussions of whether or not this application had been withdrawn. B. Joiner offered a motion to defer action on this request with a second by C. Fernandez. All were in favor of the motion and the motion was approved.
- d. East Chicago Application for Financial Support:** T. Sanders reported that there is a project before the RDA Board from the City of East Chicago for \$925,000 for funding the operating expenses for the East Chicago transit for one year because of significant financial impact among the community. This application suggests no regional bus involvement and no significant improvement in the current system. T. Sanders recommended that the Board not fund this project. This same request was made to the RBA. L. Martinez, chairman of the RBA Working Group supported T. Sanders recommendation, however if they submit this same request through the RBA, the RDA could entertain it. H. Cohen moved to reject the application from the City of East Chicago with a second by L. Martinez. C. Fernandez was concerned that the RBA is not in support of entertaining this request; in turn the bus system may collapse. L. Martinez believed that the City of East Chicago should have these conversations with the RBA. H. Cohen stated that the RDA has tried very hard to regionalize the money that the RDA has expended for buses, but should not preempt the regional nature of the bus system the RDA is trying to encourage by working with separate entities. B. Joiner suggested that the RBA Working Group sit down with members of the RDA and the City of East Chicago to talk about this issue; L. Martinez agreed.

Motion amended to reject East Chicago's application; however the RDA wants to be part of the RBA's consideration of East Chicago's application. The RDA will be a facilitator to discussions between the RBA and the City and East Chicago; amendment accepted by H. Cohen with a second by L. Martinez. All were in favor and the application was denied.

**VII. Project Status Review:**

- a. **Regional Bus Authority:** L. Martinez reported that a meeting convened with the RBA to discuss their efforts with regional bus service; a report was submitted on activities to date. L. Martinez feels that there needs to be broader conversations on the RDA's position for non-operating dollars being used for operating dollars.

L. Martinez requested that a meeting with East Chicago and the RBA take place within the next few weeks; October 9, 2008 is a tentative date for the RBA Working Group meeting to discuss transit issues in East Chicago.

- b. **Lake Shore Redevelopment:** B. Joiner reported that the Shoreline Working Group met to discuss Burns Harbor application for financial support. Recommendations included in the Shoreline Working Group stated that the Working Group would reconvene within 30 -45 days; because of the LMCP deadline on their funds. Prior to that meeting the Working Group has requested that Policy Analytics provide a summary of the items in the Burns Harbor application that are directly related to the Marquette Greenway Plan. It was also requested that Policy Analytics look at alternative financing strategies.

L. Morris reported on the Marquette Vision Forums. These meetings were designed to determine the need for one coordinating entity for shoreline development. The group narrowed it down to three entities, DNR, NIRPC and the RDA. With a vote of 37 – 27 the group felt that the RDA was best suited to be that coordinated entity. The RDA plans to meet with NIRPC and the DNR to try to work collaboratively on this effort, and look for ways that coordination is provided without creating too much bureaucracy.

- c. **Expansion of the Gary/Chicago Airport:** G. Olympidis requested that Matt Reardon, Airport consultant to the RDA report on his activities. M. Reardon reported that they are still engaged in the due-diligence process, but are close to completion do they are able to directly address the four items of concerned asked to review for the airport. SEH is planning on meeting with the RDA before the end of the month to discuss their findings.
- d. **Extension of South Shore Commuter Service:** H. Snyder reported that transportation leaders around the region met to explore opportunity for some sort of regional transportation development. Those meetings are ongoing.

#### VIII. **Other Business:**

- a. **Strategic Plan Update:** B. Sheldrake reported that they are close to completing the RDA's updated Comprehensive Strategic Plan. They are meeting with various members of the Board, and are close to completing that list. They look forward to distributing the final draft within the next few weeks.
- b. **Banking Relationships:** T. Sanders reported that there has been discussion of how long banks will provide services to the RDA. The original expiration date in the agreements expired at the end of last year. T. Sanders has created an RFP to be submitted once reviewed by the audit committee and approved by the Board. L. Martinez moved to distribute the RFP as soon as possible with a second by H. Snyder. All were in favor of the motion and the motion was approved.
- c. **Policy Manual:** T. Sanders reported that the policy manual includes office policies, governance, procurement, and grant requests. T. Sanders offered this document for approval. L. Martinez moved to ratify the policy manual with a second by H. Cohen. All were in favor of the policy manual and the policy manual was approved.
- d. **Employee Handbook:** T. Sanders reported that many of the points included in the employee handbook have been discussed by the Board previously. This is a professionally drafted document presented for Board adoption. Moved for approval by H. Cohen with a second by B. Joiner. All were in favor of the motion and the employee handbook was approved.

- e.* **Marketing:** T. Sanders reported that he hasn't had a chance to meet with Denise Williams, but once he does he will forward information to the Board and discussion will take place at the next Board meeting. The RDA has also created new flyers and pamphlets to be handed out, and includes social equity as a value of the RDA at the Boards request.
- f.* **Other:** D. Hollenbeck reported that he's been working with G. White to draft an amendment to the previously approved grant agreement for the City of Valparaiso express bus service to Chicago. An amendment to the previous agreement would establish an obligation by the City of Valparaiso with the concern request of \$760,000 allocated and spent on the transit related expenses for the City of Valparaiso. In anticipating the south shore train from Valparaiso to Chicago. Chairman presented concern for protecting RDA investment, if the City of Valparaiso would abandoned the project, they have drafted an amendment to the agreement previously approved, that would establish an obligation by the City of Valparaiso over a term of 20 years. They would then have an obligation to return 1/20 for each year the facility was not utilized for transit related functions. D. Hollenbeck requested an amendment to the previous motion for the prior approval of the grant agreement that captures what he had discussed. So moved by L. Martinez with a second by H. Snyder.

**IX. New Business:**

- a.* **Budget Planning:** T. Sanders reported that it outlines the administrative budget at a 3% increase in nearly all categories for 2009. T. Sanders offered that for Board approval. L. Martinez moved to forward the Budget to the finance committee for their review with a second by G. Olympidis. All were in favor of the motion and the budget will be forward to the finance committee for Board discussion at the next Board meeting.
- b.* **Board Planning Calendar:** T. Sanders reported that this calendar will be used for efficiency purposes. The RDA will share this document with the Board on a monthly basis.

**X. Public Comment:** No comment.

**XI. Adjournment:** Without further business the meeting was adjourned.

Respectfully submitted by Jillian Huber on 10/8/08