

In the Matter Of:
East Chicago Waterway Management

MEETING OF MARCH 21, 2018

March 21, 2018



Iseminger & Associates, Inc.
877-337-7379

1
2 **EAST CHICAGO WATERWAY MANAGEMENT**
3 **DISTRICT BOARD OF DIRECTORS' MEETING**
4 **City of East Chicago, Engineering/Annex Building**
5 **4444 Railroad Avenue**
6 **East Chicago, Indiana**
7 **March 21, 2018**
8 **Wednesday, 5:00 p.m.**

9
10 Transcript of the proceedings had in the
11 above-entitled matter, on the 21st day of
12 March, 2018, at 5:00 p.m., at the City of East
13 Chicago, Engineering/Annex Building, 4444 Railroad
14 Avenue, East Chicago, Indiana, before Peggy S.
15 LaLonde, Certified Shorthand Report and Notary
16 Public for the County of LaPorte, State of
17 Indiana.

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22 **ISEMINGER & ASSOCIATES, INC.**
23 **4 Indiana Avenue**
24 **Valparaiso, Indiana 46383**
25 **(219) 464-2178**

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A P P E A R A N C E S:

- MR. JOHN FEKETE, Board Member**
- MR. HENRY RODRIGUEZ, Board Member**
- MR. PATRICK RODRIGUEZ, Board Member**
- MR. RAY LOPEZ, Board Member**
- MR. FERNANDO TREVINO, FMT Consulting**
- MS. ELLEN GREGORY, Ellen Gregory Law**

ALSO PRESENT:

TIM ANDERSON, CliftonLarsonAllen

* * * *

1 MR. FEKETE: I'd like to call to order the
2 East Chicago Waterway Management District Board of
3 Directors' meeting. Today date is March 21st, and
4 the time is 5:02.

5 First order of business is the
6 roll call. John Bakota?

7 MR. BAKOTA: (No Response).

8 MR. FEKETE: Henry Rodriguez?

9 MR. HENRY RODRIGUEZ: Here.

10 MR. FEKETE: Patrick Rodriguez?

11 MR. PATRICK RODRIGUEZ: Here.

12 MR. FEKETE: Ted Zagar?

13 MR. ZAGAR: (No Response).

14 MR. FEKETE: Kevin Doyle?

15 MR. DOYLE: (No Response).

16 MR. FEKETE: Ray Lopez?

17 MR. LOPEZ: Here.

18 MR. FEKETE: John Fekete? Here. We have
19 a quorum. Executive Director's report, Mr.
20 Trevino.

21 MR. TREVINO: Yes. Fernando Trevino, FMT
22 Consulting. I'll start off by going over the
23 contents of your Board packet. You have the
24 Board minutes for February 21, 2018.

25 You have the financial statement

1 dated February 28, 2018, from CliftonLarsonAllen.

2 The claims docket for tonight's meeting dated
3 March 21, 2018.

4 You have a budget approval memo
5 from IDEM dated February 7, 2018, and it's for the
6 2018 Trust budget.

7 You have the First Merchant's
8 Bank statement for the month of February 2018, for
9 accounts ending in 608 and 616.

10 You have the BMO Harris Trust
11 report dated February 28, 2018.

12 You have a memo from
13 ArcelorMittal dated January 15, 2018, regarding the
14 merger of ArcelorMittal, Indiana Harbor, LLC, into
15 Arcelor Mittal USA LLC.

16 You have Attorney Ellen
17 Gregory's report, with revision date of March 19,
18 2018.

19 And you have two letters from
20 IDEM, dated February 16, 2018, regarding the Grand
21 Cal River, Indiana Harbor, Sediment Management
22 Action. And the second one, Indiana Harbor Belt,
23 dated May 12, 2017 regarding the NPDES permit,
24 permit number IN-064459.

25 I'd like to go over a couple

1 items. As reported at the last Board meeting, we
2 received the Trust budget approval letters from EPA
3 and IDEM. We didn't have a copy of IDEM's letter
4 ready for the Board packet last month, so we have
5 included it in this packet.

6 As a reminder, the District has
7 a Section 10 permit agreement with BP, where BP
8 agrees to reimburse for certain services related to
9 the agreement. A check in the amount of \$21,367.95
10 was received from BP and deposited into the Trust
11 account.

12 Also been working with Mr. Ray
13 Lopez on getting him online access for First
14 Merchant's Bank statements. And when we get access,
15 the only action we'll be able to do is make copies
16 of the statements.

17 2018 User Fee invoice packets
18 went out. The packet included the invoice User Fee
19 cover letter, each User Fee invoice, the 2018
20 Communicator, and a contact update form in the event
21 that any of the information we have on file for the
22 particular entity has changed. Copies of the
23 invoice package was e-mailed to the Board and the
24 payments are due by May 1st.

25 The Great Lakes Legacy Act

1 Project. We continue to work on negotiations on the
2 site agreement with BP. I'm working on the
3 2017-year end Work In-kind Report, and Tim has
4 helped us with the calculations of the indirect cost
5 rate and dollar calculations.

6 We had a Grand Cal River Area 6
7 Concern planning meeting on March 7th, which
8 included representatives from EPA, IDEM, the Corps,
9 Department of Natural Resources, and U.S. Fish &
10 Wildlife, and also the City of Gary, to discuss
11 different strategies and options for remediating the
12 remainder of the waterways, in East Chicago and
13 Gary.

14 There is a \$400 invoice from
15 IDEM on today's claims docket for the Great Lakes
16 Legacy Act NPDES permit. The project team decided
17 to go ahead and keep the permit active in the event
18 we are not allowed to use the CDF for sediment
19 disposal, so we wouldn't have to go through the
20 lengthy process of reapplying for the permit, and
21 probably cost a lot more than \$400.

22 The Army Corps dredging project.
23 The dredging is currently forecasted to begin in
24 early Spring -- not early Spring, I'm sorry -- early
25 May. A meeting was held this Monday which included

1 IDEM, EPA, the Corps, the Corps dredging
2 contractors, and other stakeholders, to discuss the
3 process for responding to oil sheens that may
4 develop during dredging activities.

5 There is a couple action items
6 on the agenda. The meeting notes and the claims
7 docket. And also under new business, to talk about
8 the possibility of taking a Microsoft Word class,
9 that cost is \$210.

10 Attorney Ellen Gregory will give
11 an update on legal matters. And that concludes my
12 report.

13 MR. FEKETE: That's it?

14 MR. TREVINO: Yes.

15 MR. FEKETE: Thank you very much. Any
16 questions for Mr. Trevino?

17 MR. PATRICK RODRIGUEZ: How much was the
18 cost again of the Microsoft class?

19 MR. TREVINO: Microsoft is \$210 class fee.

20 MR. FEKETE: We'll take care of that under
21 new business.

22 MR. PATRICK RODRIGUEZ: We have to have a
23 motion made?

24 MR. FEKETE: Yes. Next order of business
25 is approval consideration of the Board meeting

1 minutes for February 21, 2018. Do I have a motion
2 to approve?

3 MR. LOPEZ: So moved.

4 MR. FEKETE: Is there a second?

5 MR. HENRY RODRIGUEZ: Second.

6 MR. FEKETE: We have a motion and second.

7 All in favor signify by saying aye.

8 (All signify aye.)

9 MR. FEKETE: Any opposition? (No
10 Response) Hearing none, motion is approved.
11 Accounting Consultant report, Mr. Anderson.

12 MR. ANDERSON: Tim Anderson,
13 CliftonLarsonAllen. Everybody's got a copy they can
14 ready this month I hope. So this is our financial
15 statement as of the end of February 2018.

16 Page 2 shows the two accounts
17 that aren't in the Trust. So this is the Operating
18 account and the User Fee account. The cash receipts
19 for the two months ended February 28th, which
20 include the transfer from the Trust of 224,000 and
21 then a list of disbursements, legal, real estate,
22 engineering, accounting, office help. So we have
23 spent \$62,902 for January and February, so our cash
24 has increased \$165,622 January 1st.

25 Page 3 just shows the actual

1 changes in each account for each month, little bit
2 of interest earned on the accounts. And you can see
3 the Operating account is where we pay our operating
4 expenses, so that 945,000 that's sitting in that
5 Operating account is really our unspent budget as of
6 the end of February.

7 And you have a claims docket
8 before you, so page 4 shows what we spent through
9 February. And your claims docket today, the \$27,614
10 is the column second to the right, and the unused
11 budget for each line item is shown there. So all of
12 your expenses today, with your \$27,614, you have
13 plenty of budget on each line to write that against
14 unused budget, which is 917,000 after you write the
15 checks today. Questions?

16 MR. FEKETE: Did we have any carryover
17 from 2017 show up this month?

18 MR. ANDERSON: Not this month, but we're
19 ready in case this happens. We have a strategy.
20 Thank you.

21 MR. FEKETE: Thank you. Next order of
22 business is approval of the accounts payable
23 register.

24 MR. LOPEZ: Motion to accept.

25 MR. FEKETE: Do I have a second?

1 MR. PATRICK RODRIGUEZ: Second.

2 MR. FEKETE: We have a second. Roll call
3 vote. Henry Rodriguez?

4 MR. HENRY RODRIGUEZ: Yes.

5 MR. FEKETE: Patrick Rodriguez?

6 MR. PATRICK RODRIGUEZ: Yes.

7 MR. FEKETE: Ray Lopez?

8 MR. LOPEZ: Yes.

9 MR. FEKETE: John Fekete? I vote yes.
10 The motion is approved.

11 Our next order of business is
12 the BMO Harris Trust report. Mr. Trevino, you are
13 going to just give us the highlights?

14 MR. TREVINO: Mr. Alonzo wasn't able to
15 make today's meeting, so I'll review his notes on
16 the report. His opening paragraph talks about
17 wanting to update the Board, that from this time
18 forward there is going to be a difference in how he
19 reports the Trust amounts. In the past he tried to
20 report the amounts at the day of the meeting. So
21 Tim, Dave, and I had a conference call in the spirit
22 of continuous improvement, that we thought it would
23 be better that his reporting, you know, a specific
24 point in time, which would be at the end of the
25 previous month. So that way it would coincide with

1 the actual statements. So from here on, his values
2 will be recorded from the previous month, which is
3 kind of consistent with how Tim does the Operating
4 account.

5 And also, if you look at this
6 document that's titled, ECI Facility Trust, Money
7 Market, and Facility holdings, we added a couple
8 columns with the headings of deposits/credits. And
9 then the second column is checks/debits. So that
10 way if there is any movement in or out of the
11 accounts, it will be reflected on a monthly basis.
12 And the intent is for that spreadsheet to match with
13 the monthly bank statements.

14 So going over page 1, highlights
15 the historical value of the Trust since 1997 and
16 also the distribution each year since 1997.

17 Page 2, the current value of the
18 Trust is approximately 4.64 million, and that again
19 is as of the month, at the end of the month of
20 February 28th. This reflects a decline value of
21 224,684 from the last meeting and there was a Trust
22 withdrawal of 224,758, and the difference between
23 those two numbers, that's the Trust earned \$74.00
24 from the last month, and the increase was due to
25 interest earned on the prime money market.

1 this Microsoft class and pay for his expenses.

2 MR. PATRICK RODRIGUEZ: I make a motion
3 that we pay for Mr. Trevino's Microsoft class for
4 \$210.

5 MR. FEKETE: Do I have a second?

6 MR. HENRY RODRIGUEZ: Second.

7 MR. FEKETE: I have a second. We'll have
8 a roll call vote. Henry Rodriguez?

9 MR. HENRY RODRIGUEZ: Yes.

10 MR. FEKETE: Patrick Rodriguez?

11 MR. PATRICK RODRIGUEZ: Yes.

12 MR. FEKETE: Ray Lopez?

13 MR. LOPEZ: Yes.

14 MR. FEKETE: John Fekete? I vote yes.

15 The motion is approved.

16 Any other new business to come
17 before the Board? (No Response) Any other
18 business? (No Response) Any public comments? (No
19 Response)

20 Next Board meeting will be
21 April 18, 2018, at 5:00 p.m., at this facility.

22 I'll entertain a motion for
23 adjournment.

24 MR. PATRICK RODRIGUEZ: So moved.

25 MR. FEKETE: Is there a second?

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MR. LOPEZ: Second.

MR. FEKETE: Motion and second. All in favor, signify by saying aye.

(All signify aye.)

MR. FEKETE: This meeting is concluded.

(MEETING ADJOURNED.)

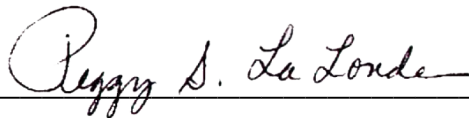
* * * * *

C E R T I F I C A T E

I, Peggy S. Lalonde, Certified Shorthand Reporter (CSR), and Notary Public within and for the County of Porter, State of Indiana, do hereby certify that I appeared at the City of East Chicago, Engineering/Annex Building, 4444 Railroad Avenue, East Chicago, Indiana, on the 21st day of March, 2018, to report the proceedings had of the District Board of Directors' Meeting.

I further certify that I then and there reported in machine shorthand the proceedings given at said time and place, and that the testimony was then reduced to typewriting from my original shorthand notes, and the foregoing transcript is a true and accurate record of said proceedings had.

Dated this 11th day of April, 2018.



Peggy S. LaLonde, CSR

My Commission expires: 2/06/2026



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