

1 **EAST CHICAGO WATERWAY MANAGEMENT DISTRICT**
2 **BOARD OF DIRECTORS MEETING**

3
4 Transcript of the meeting of the East Chicago
5 Waterway Management District had on the 20th day of
6 March, 2013, at 5:10 p.m., at the East Chicago City
Annex Building, 4444 Railroad Avenue, East Chicago,
Indiana.

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9 **APPEARANCES:**

10 MR. JOHN FEKETE, Board President

11 MR. ERNEST JONES, Board Vice-President

12 MR. JOHN BAKOTA, Board Member

13 MR. RAY LOPEZ, Board Member

14 MR. HENRY RODRIGUEZ, Board Member

15 MS. ELLEN GREGORY, Board Attorney

16 MR. FERNANDO TREVINO, Executive Director

17 MR. TIM ANDERSON, Clifton Larson Allen

18 MR. MIKE NGUYEN, U.S. Army Corps of Engineers

19 MR. DAVID ALONZO, BMO Harris Bank

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21
22 **TRANSCRIBED BY:** Mary L. Slafindor

23
24 **SLAFINDOR COURT REPORTING**
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1 **MR. FEKETE:** I'd like to call to
2 order the March 20th meeting of the East Chicago
3 Waterway Management District. The time is 5:10.

4 Before we go to the roll call, I
5 would like to make mention of the fact that this past
6 week we were informed of the passing of Steve Zabroski.
7 Many of you know Steve, and he's been a long-time
8 attendee of this particular meeting. And his presence
9 will be sorely missed. And we've always appreciated
10 his very straightforward reporting, and he's always
11 done a good job on keeping the public informed of the
12 activities of this particular group. So again, I just
13 wanted to make mention of that fact.

14 For those of you who may not have
15 seen any particulars, we have a copy of *The Times*, so
16 after the meeting you can take a quick look at it.

17 Call to order. Ernie Jones?

18 **MR. JONES:** Here.

19 **MR. FEKETE:** John Bakota?

20 **MR. BAKOTA:** Here.

21 **MR. FEKETE:** Henry Rodriguez?

22 **MR. RODRIGUEZ:** Here.

23 **MR. FEKETE:** Ray Lopez?

24 **MR. LOPEZ:** Here.

25 **MR. FEKETE:** John Fekete, here.

1 Mike Ebert? Rich Gomez? We have a quorum.

2 The consulting report, Mr. Trevino.

3 **MR. TREVINO:** Yes, Fernando Trevino
4 with FMT Consulting. Like to start off with reviewing
5 the contents of your board packet.

6 You have the board minutes for the
7 February 20th, 2013 board meeting.

8 You have the financial statements
9 from Clifton Larson dated February 28th, 2013. The
10 claim docket for approval consideration, March 20th,
11 2013.

12 You have Special Waste Profile
13 Recertification, along with a letter from Arcadis dated
14 March 6th, 2013. And the profile recertification is
15 dated and signed by me March 13th, 2013.

16 You have in your board packet
17 Resolution 2013-2A. It's an amended resolution
18 regarding the Jeorse Park Beach Modeling Study. And
19 that's on the agenda for consideration.

20 You have in your packet manifest
21 sheets for -- there should be 15 of them -- for roll off
22 boxes on the south tank farm for my signature and
23 review.

24 You have a notice of change of
25 agency coordinator. And the names on the form is John

1 Fekete, as president of the board, and Fernando Trevino,
2 and it's got me listed as the executive director. And
3 that's for approval and for signature.

4 You have in your packet an insurance
5 proposal. It's dated March 19th, 2013, and it's titled
6 Acuity Property Quotation, Customer Copy. That's on the
7 agenda for approval consideration.

8 You have in your packet a 3-way
9 contract between the Waterway Management District, Ellen
10 Gregory and Mirko Blesich, which his company is
11 Municipal Real Estate Advisors. As I mentioned, that's
12 on the agenda for approval consideration.

13 You have a summary of the 2013 user
14 fee collections to date, along with the deposit memos
15 and receipts.

16 You have information from Boyce
17 (phonetics) regarding software, and I'll elaborate on
18 that in a second.

19 You have in your packet a March
20 12th, 2013 from Union Tank Car regarding the parcels of
21 property they're claiming they no longer own. So we'll
22 be following up on that.

23 You have a Citizens Bank statement
24 dated 2-28-2013. There's 2, one ending in 608, the
25 other ending in 616, same date.

1 amended resolution, and it will be the first reading
2 under the amended resolution.

3 I mentioned you have a spreadsheet
4 in your packet summarizing the 2013 collections.

5 Ellen and I met with Mr. Randy Vale
6 yesterday regarding insurance. There's a proposal on
7 property coverage for up to \$25,000 in your packet. And
8 that's on the agenda for approval.

9 The Great Lakes Legacy Act. I
10 completed a draft application that was sent to the EPA
11 on March 1st, 2013 for their review. Mr. Scott Ireland
12 has responded that they will be looking at it and
13 getting comments back to us.

14 The business cards for the board
15 were ordered and handed out.

16 I attended the city's lakefront
17 development public meeting last week. Other ongoing
18 regular meetings include the canal oil response, the
19 dredging project meetings and the BP biweekly meetings.

20 Ellen has sent a copy of the user
21 fee appeal form to the Indiana Public Records Commission
22 for their review and approval. I'll let her elaborate
23 on that during her report to the board.

24 The Indy Boulevard parkway
25 improvement meeting was held last week, Thursday. The

1 Corps will be reviewing some options and costs as a
2 result of that meeting.

3 We've been doing a self-assessment
4 of our user fee collection process. Some of the
5 opportunities to improve our process include finding a
6 software that will better manage all the data that is
7 collected through the user fees, so in the event that
8 information is needed on the user fees, whether it's a
9 parcel number or the collection status, it will be a lot
10 easier to access that type of information. So Mr. Tim
11 Anderson and I have been working on that on some
12 software availabilities.

13 Finance committee meeting was held
14 yesterday. Some of the things we discussed was the
15 strategic planning process. I'll be talking to a
16 consultant and getting a proposal from him on what it
17 would take to provide those services to the District.
18 We discussed a direction of future maturing CDs, and Mr.
19 Alonzo can elaborate on that during his report. We
20 talked about the hiring of a real estate consultant.
21 And as I mentioned, that's on your agenda, and it's a 3-
22 way contract between the District, Attorney Ellen
23 Gregory and Municipal Real Estate Advisors. We've used
24 Mr. Mirko Blesich in the past and he's done a good job.
25 And we also talked about the user fee management

1 software.

2 I mentioned the air quality meeting
3 on April 18th. I did ask if that invitation was open to
4 the board members, and the answer was yes. So if
5 anyone's interested in that, you either go online and
6 register, or you can let me know and I can register for
7 you.

8 We have a conference call meeting
9 tomorrow, Ellen and I, with the attorney general's
10 office regarding establishing collection process for
11 companies who are past due on user fees.

12 Manifests. As I mentioned, I signed
13 the profile on behalf of the District, and a copy of
14 that is in your packet. And I'll be doing a site visit
15 tomorrow as part of signing of the 15 manifests that are
16 in your packet. And that will probably happen sometime
17 after 2:00 p.m. I don't know if any board member is
18 interested in joining me, you're welcome to. And that
19 concludes my report.

20 **MR. FEKETE:** Any questions for Mr.
21 Trevino?

22 **(NO RESPONSE)**.

23 **MR. FEKETE:** Thank you very much.
24 Approval of the board meeting notes for our last meeting
25 dated February 20th. Entertain a motion.

1 **MR. JONES:** I move to accept.

2 **MR. BAKOTA:** Second.

3 **MR. FEKETE:** All in favor signify by
4 saying aye.

5 **THE BOARD:** (Collective "aye").

6 **MR. FEKETE:** Any objections,
7 abstentions?

8 **(NO RESPONSE)** .

9 **MR. FEKETE:** Motion approved.
10 Accounting consultant report, Mr. Anderson.

11 **MR. ANDERSON:** Tim Anderson, Clifton
12 Larson Allen. You have a copy of our report. This is
13 for the 2 months ended February 28th. The first page
14 with numbers on it shows that through February, we've
15 received \$309,000, which is made up of \$236,000 from the
16 trust; that was our budget transfer. And we've
17 collected \$72,647 in user fees to date. And then you
18 can see our disbursements. Legal, engineering,
19 accounting, all of those good things we pay for. So
20 there's been an increase in our cash accounts since
21 January of \$262,000. Balance at the beginning was 1.2
22 million, and now we have 1.5 million between the
23 operating account and the user fee account.

24 The next page with numbers on it is
25 just a summary of those 2 accounts. And we break out

1 the interest by month and the cash disbursements. We
2 did transfer money from our user fee account to the
3 operating checking account for the user fee portion of
4 our budget, which is the 122. And that's how the
5 balance in the accounts fall out. There's 404 in our
6 operating, and a million 1 in our user fee account.

7 The last page -- and I tried to make
8 this as big as I could. I don't know what I'll do as
9 the months go by, but for now it's good. You can see
10 the budget, which is what you guys passed for '13. We
11 get to add to that budget the things that weren't paid
12 by December 31st but attributable to last year. So our
13 total appropriation is the 451,000, and then each month
14 we pay our bills down. So you have this available
15 budget left, and what that available budget left is, is
16 the balance of our checking account. So there's 404,000
17 left of our 2013 budget. And we break it down by line
18 so that we can keep track of how much budget we have
19 left when we cut checks.

20 Any questions?

21 **(NO RESPONSE)**.

22 **MR. ANDERSON:** Thank you.

23 **MR. FEKETE:** Accounts payable
24 voucher. We have it in our packet. I'll entertain a
25 motion to approve the accounts payable.

1 **MR. LOPEZ:** I motion to approve.
2 **MR. JONES:** Second.
3 **MR. FEKETE:** We'll have a roll call
4 vote. Ernie Jones?
5 **MR. JONES:** Yes.
6 **MR. FEKETE:** John Bakota?
7 **MR. BAKOTA:** Yes.
8 **MR. FEKETE:** Henry Rodriguez?
9 **MR. RODRIGUEZ:** Yes.
10 **MR. FEKETE:** Ray Lopez?
11 **MR. LOPEZ:** Yes.
12 **MR. FEKETE:** John Fekete, I vote
13 yes. Mike Ebert? Rich Gomez? Motion to approve the
14 accounts payable voucher is positive.
15 Next on the agenda is the resolution
16 on the Jeorse Beach Modeling Study. Upon further review
17 and discussion, we amended the resolution that was
18 approved last month, and amended it by including
19 basically the language to include that we would be
20 agreeing to pay \$40,000 pending the approval of the
21 Indiana Department of Natural Resources on the project.
22 They are actually the state sponsored agency that will
23 be putting up the other half, so we wanted to make sure
24 that there was a linkage between our contribution and
25 theirs as well.

1 So I will entertain a motion to
2 approve the resolution.

3 **MR. LOPEZ:** Does that include the
4 amendment?

5 **MR. RODRIGUEZ:** Make a motion to
6 approve the amended resolution.

7 **MR. BAKOTA:** Second.

8 **MR. FEKETE:** Ernie Jones?

9 **MR. JONES:** Yes.

10 **MR. FEKETE:** John Bakota?

11 **MR. BAKOTA:** Yes.

12 **MR. FEKETE:** Henry Rodriguez?

13 **MR. RODRIGUEZ:** Yes.

14 **MR. FEKETE:** Ray Lopez?

15 **MR. LOPEZ:** Yes.

16 **MR. FEKETE:** John Fekete, I vote
17 yes. Mike Ebert? Rich Gomez? Motion is approved.

18 **MR. TREVINO:** Just a question of
19 clarification. Should this resolution be with today's
20 date and signed today, or should it wait for the second?

21 **MS. GREGORY:** I think it should be
22 signed today as a first reading of the resolution.

23 **MR. FEKETE:** The next item on the
24 agenda is the approval for Mr. Trevino to sign the 15
25 disposal manifests. I'll entertain a motion.

1 **MR. RODRIGUEZ:** So moved.

2 **MR. FEKETE:** Do I have a second?

3 **MR. JONES:** Second.

4 **MR. FEKETE:** We have a motion to
5 approve and a second. I'll have a roll call vote on
6 this as well. Ernie Jones?

7 **MR. JONES:** Yes.

8 **MR. FEKETE:** John Bakota?

9 **MR. BAKOTA:** Yes.

10 **MR. FEKETE:** Henry Rodriguez?

11 **MR. RODRIGUEZ:** Yes.

12 **MR. FEKETE:** Ray Lopez?

13 **MR. LOPEZ:** Yes.

14 **MR. FEKETE:** John Fekete, I vote
15 yes. Mike Ebert? Rich Gomez?

16 **MR. TREVINO:** Can I ask a question,
17 Mr. Fekete?

18 **MR. FEKETE:** Yeah.

19 **MR. TREVINO:** I put that on the
20 agenda for approval because we've recently entered into
21 an agreement with BP to take part in this. And I'm
22 wondering, there's going to be more manifests in the
23 future to sign. What's the pleasure of the board?
24 Should I bring that every time it comes for signature to
25 the board, or can I sign --

1 **MR. FEKETE:** Well, you're not going
2 to be doing 15 at one time, are you?

3 **MR. TREVINO:** No.

4 **MR. FEKETE:** I wouldn't think so.
5 So we'll just include it as part of our normal routine
6 reporting and we can just approve it.

7 **MR. TREVINO:** So I'll put it on the
8 agenda in the future.

9 **MR. FEKETE:** We can include it in
10 your report, and saying we have 1 and I have signed it,
11 or I'm ready to assign it. And we'll just approve your
12 report along with that at the same time.

13 **MR. TREVINO:** Yeah. And the reasons
14 there's 15 now, it's just there was --

15 **MR. FEKETE:** We're playing catch-up.

16 **MR. TREVINO:** -- discussion on what
17 the process should be.

18 **MR. BAKOTA:** Have any been removed?

19 **MR. TREVINO:** No. After my visit
20 tomorrow and signing off on them, then they will.

21 **MR. FEKETE:** Next item is the notice
22 of change of agency coordinator.

23 **MR. TREVINO:** I'm going to defer to
24 our attorney on this one.

25 **MS. GREGORY:** Should I just do that

1 as part of my presentation, or do you want me to do it
2 now?

3 **MR. TREVINO:** Well, they're going
4 to consider voting on approving it, so you probably need
5 to talk about it now.

6 **MS. GREGORY:** Ellen Gregory. This
7 came up when we were looking at the requirements for
8 record keeping for all of the documents relating to the
9 District. And Fernando and I spoke with a couple of
10 representatives of the Indiana Public Records
11 Commission, and noted that there was this form that's
12 supposed to be filed with the state identifying who is
13 actually the records coordinator for every agency is.
14 So this is the form that needs to be submitted to that
15 agency so that Fernando is on record as being the
16 contact in case anybody wants to file a request for
17 records of the District.

18 **MR. FEKETE:** I'll entertain a motion
19 to proceed with that change of agency coordinator
20 document.

21 **MR. LOPEZ:** Motion to accept.

22 **MR. FEKETE:** Do I have a second?

23 **MR. BAKOTA:** Second.

24 **MR. FEKETE:** All in favor signify by
25 saying yes.

1 **THE BOARD:** (Collective "yes").

2 **MR. FEKETE:** Any opposition, any
3 abstention?

4 **(NO RESPONSE)** .

5 **MR. FEKETE:** Motion approved.
6 Property insurance coverage?

7 **MR. TREVINO:** As I mentioned, you
8 have in your packet a proposal for coverage of property
9 owned by the Waterway Management District, and this is
10 more stuff like office furniture, computer, file
11 cabinets and that type of stuff. And the limit is
12 \$25,000 and the cost is \$254.

13 **MR. FEKETE:** I'll entertain a motion
14 to accept the property insurance coverage document.

15 **MR. BAKOTA:** Motion to accept.

16 **MR. RODRIGUEZ:** Second.

17 **MR. FEKETE:** We have a motion and a
18 second. All in favor signify by saying yes.

19 **THE BOARD:** (Collective "yes").

20 **MR. FEKETE:** Any objections, any
21 abstentions?

22 **(NO RESPONSE)** .

23 **MR. FEKETE:** Motion approved. Next
24 item is Ms. Gregory, real estate advisor's contract.

25 **MR. GREGORY:** I'll just briefly go

1 MR. FEKETE: Any questions?
2 (NO RESPONSE).
3 MR. FEKETE: I'll entertain a motion
4 to accept this consulting service agreement.
5 MR. RODRIGUEZ: Motion to accept.
6 MR. FEKETE: Do I have a second?
7 MR. LOPEZ: Second.
8 MR. FEKETE: Roll call vote. Ernie
9 Jones?
10 MR. JONES: Yes.
11 MR. FEKETE: John Bakota?
12 MR. BAKOTA: Yes.
13 MR. FEKETE: Henry Rodriguez?
14 MR. RODRIGUEZ: Yes.
15 MR. FEKETE: Ray Lopez?
16 MR. LOPEZ: Yes.
17 MR. FEKETE: John Fekete, I vote
18 yes. Mike Ebert? Rich Gomez? The motion to accept the
19 consulting service agreement has been approved.
20 Harris Bank trust report. Mr.
21 Alonzo.
22 MR. ALONZO: David Alonzo with BMO
23 Harris Bank. I'm going to run through our report here.
24 Page 1 is our basic chart showing the historical values
25 of the trust account since 1997 till now. And then also

1 the disbursements from 1997 up until now. This report
2 is as of March 18th.

3 Page 2, the value as of March 18th
4 was \$6,129,318. That was a difference from our last
5 meeting of \$236,892. We did a disbursement from the
6 trust account last month, which was for \$236,975. We
7 have -- the difference between that negative and what we
8 took out was there was a positive gain of about \$90
9 worth of interest from last month. That interest was
10 attributed to the money market account that we had.

11 Page 3, we've got a new little pie
12 chart on there for Ray. You had requested that we get a
13 little chart to show how the money was allocated. I
14 believe last time around there was a chart similar to
15 that. But this will go through the money market
16 balance. So the money market balance as of right now is
17 \$553,334. That's pretty much in the ballpark of what we
18 wanted to keep in that account at all times.

19 The one thing I have highlighted
20 here in the yellow is what we discussed during the
21 finance committee. On April 19th, we will have a CD
22 maturing for 1.5 million dollars. There's going to be
23 some interest that will be paid, of course, on it at
24 maturity, so it will be worth more.

25 The conversation that we had, I

1 wanted to go back and talked to our fixed income
2 department to see what was available for terms of about
3 3 years or less. And the trust is restricted on what we
4 can invest in. It's really FDIC, government bonds,
5 agency bonds. And at this time, as I mentioned,
6 treasury bonds are extremely low; we're better off in
7 CDs. And agency bonds are not much better either. Our
8 3-year CD is pretty equivalent to what we're going to
9 find in an agency bond. And it just makes sense at this
10 point to keep it in a CD. I think Mike had recommended
11 that he felt most comfortable keeping it 2 years or
12 less, the CD. I did note that we did not have anything
13 maturing in 2014 for the CDs. So what we had come to
14 the conclusion was, when this CD does mature, we would
15 turn around and do a 13-month CD at the current interest
16 rate's right now at .35. I'm still waiting to see if I
17 can get approval for an increase in that rate. So I'm
18 going to be hearing back on that. But at least we know
19 it will be at least 35 basis points as of now.

20 I did take a look at a 2-year
21 interest rate, and the interest rate on a 2-year CD is
22 actually the same as our 13-month special. I know it's
23 nothing special about it. But for what it's worth, it's
24 .35.

25 The next meeting, we will have some

1 interest credited from our 60-month CD. You can see
2 that on March 28th of this month there'll be some
3 interest that is credited to that CD. And then really
4 after that, we'll have one maturing in October.

5 At the next meeting, I'll bring a
6 letter of instruction to have John sign to show that
7 when this CD does mature on April 19th, we will move
8 those funds into a 13-month CD.

9 Any questions?

10 **MR. FEKETE:** Any questions?

11 **(NO RESPONSE)**.

12 **MR. FEKETE:** Thank you very much.

13 Army Corps report, Mr. Nguyen.

14 **MR. NGUYEN:** Hi. Mike Nguyen with
15 the Army Corps of Engineers. I'd like to give a
16 briefing.

17 For the CDF construction, the
18 groundwater gradient control. Still having ongoing
19 testing and repairs of the gradient control system.

20 The facility and dredging operation
21 plan. The dredging operation is still shut down for the
22 winter, and we will be discussing with the contractor on
23 potentially when to restart dredging operations. So
24 we're anticipating sometime in April. And the Dickey
25 Road closure, we'll be opening up the Dickey Road

1 closure. So we'll keep the board informed of that, the
2 start of dredging.

3 I've added a new construction
4 contract is the retrofit contract. We're currently
5 developing scope of work to repair the main entrance
6 ramp, install additional extraction wells, install
7 (inaudible) and improve the parkway. We're still
8 coordinating with board members on the parkway
9 improvement and we'll get back to the board on sort of
10 the cost and plans to be implemented.

11 CDF documentation for the permits.
12 The Corps is still gathering information for the
13 submission of the TSCA permits, and we're still
14 coordinating with BP for the oil boom. We're going to
15 have to do additional coordination just before we start
16 dredging operations.

17 For the PCA and the work in-kind
18 documentation. Work is still ongoing. And that's all I
19 have.

20 **MR. FEKETE:** Any questions for Mr.
21 Nguyen?

22 **MR. BAKOTA:** Mr. President, I'd like
23 to bring up, and also Mike. We met with the
24 beautification of the parkway parallel to the CDF. We
25 met with Mike and his people, and we talked about that

1 fabric on the fence.

2 **MR. NGUYEN:** Yes.

3 **MR. BAKOTA:** And there's a high
4 maintenance cost to it. We voted once I know to keep
5 the fabric up. They suggested if they took 2 sections
6 down, 2 or 4 down, to expose the side of the CDF, leave
7 it that way for sometime and see if we get any
8 complaints from the citizens or anybody complaining.
9 They're going to redo the roadway where there'd be less
10 dust contamination. So we agree that we'll bring it up
11 in front of the board. So after this, I'll make a
12 motion that we allow them to take down a section.

13 **MR. TREVINO:** On a trial basis?

14 **MR. BAKOTA:** On a trial basis, yeah.

15 **MR. FEKETE:** Would they -- are you
16 finished? I'm sorry.

17 **MR. BAKOTA:** Yeah.

18 **MR. FEKETE:** Would you do this
19 before or after you improve the road?

20 **MR. NGUYEN:** We would like to do it
21 before we improve it, just to see, because the public
22 doesn't get to see the other side of the fence.
23 Basically, more of a prairie type grass along the CDF.

24 **MR. BAKOTA:** There's not much
25 traffic on that road now though, is there?

1 **MR. NGUYEN:** No. The only traffic
2 would be with the Corps vehicle.

3 **MR. BAKOTA:** Light vehicles?

4 **MR. NGUYEN:** Light vehicles.
5 Basically trucks, sedans.

6 **MR. FEKETE:** I guess the point of my
7 question is, isn't the barrier also to prevent dust from
8 blowing through? And if the roadway isn't improved,
9 then it still might kick up dust.

10 **MR. NGUYEN:** We'll control the dust
11 within our road. The main purpose for the fabric was
12 during the construction of the dikes. And it created a
13 lot of dust in which we wanted to put the fabric up to
14 control the dust.

15 Now construction's done with
16 basically dredging in the harbor and exposing the
17 sediment through a pipe system, so we wouldn't have a
18 lot of vehicles through the roads.

19 If the board would allow the Corps
20 to remove a section of the fabric, maybe near the north
21 end as a test program.

22 **MR. BAKOTA:** At the north?

23 **MR. NGUYEN:** At the north of the
24 site, near Cline.

25 **MR. FEKETE:** I would like a member

1 of the board, presumably Mr. Bakota, to be present when
2 you're taking this down. Because a test section in our
3 mind might be different than what actually occurs when
4 somebody goes out there.

5 **MR. BAKOTA:** Can you do it in feet,
6 how many feet it would be?

7 **MR. NGUYEN:** No, because the fabric
8 I think runs 50 feet. So unless you really want to get
9 a good view, you might have to remove 2 or 3 sheets.

10 **MR. BAKOTA:** You mean 2 or 3 sheets
11 of 50-foot sheets?

12 **MR. NGUYEN:** Yes, so maybe 150 feet.

13 **MR. BAKOTA:** That's a lot of fabric.
14 I want it known that we're doing it as a test, because
15 the board, we were pushed by this before that the Corps
16 wanted it removed and we said no. 50 foot, that would
17 remove a good portion of that section from the north
18 side going south, the fence line. Cline Avenue running
19 south.

20 **MR. TREVINO:** Mike, were you guys --
21 I thought during our discussion last week, also you
22 mentioned something about doing something different on
23 the roadway?

24 **MR. NGUYEN:** Yeah, we're looking
25 into adding on some kind of mix to the gravel road to

1 control the dust. So some kind of an additive to the
2 gravel mix. We're still investigating that.

3 **MR. BAKOTA:** You're talking 3
4 sections, you're talking 150 foot.

5 **MR. TREVINO:** If it's a test to
6 determine if you need -- in the future you're not going
7 to need it, it's probably not a bad idea to do 150
8 because it's going to give you a good snapshot of what
9 you're going to see in the future. You know what I
10 mean? I mean, if the end result is to say we're going
11 to do away with the fabric, it's probably a good idea to
12 do something that's going to be representative of what
13 the future's going to be.

14 **MR. BAKOTA:** I'd like some input
15 from the board.

16 **MR. RODRIGUEZ:** For the length of
17 what we're talking, the whole length of the CDF of the
18 fence, I think 150 feet would be a good shot, because
19 like he said, you're talking quite a bit of fence there.
20 And 50 feet from that whole length might not give you
21 enough.

22 **MR. TREVINO:** And there's 2 major
23 things that have resulted in less dust. One is, there's
24 no heavy equipment going back and forth. And then the
25 other is, the improvements on the roadway. So it's

1 probably not a bad idea.

2 **MR. FEKETE:** 150 feet is 50 yards.
3 Envision half a football field, it's really not that
4 much.

5 **MR. RODRIGUEZ:** Picture your house,
6 because I know my property from the front to the back is
7 130, 150 feet. So it's about that. And like I said,
8 for the whole length of that fence, 150 feet.

9 **MR. LOPEZ:** So this is a trial, and
10 if it turns out okay, then you're going to take off the
11 rest?

12 **MR. NGUYEN:** We would slowly remove
13 the rest until -- we won't remove everything all at
14 once.

15 **MR. BAKOTA:** And if the board wishes
16 it be reinstalled?

17 **MR. NGUYEN:** If the board wishes, if
18 there was an issue, we'll first see what the issues are
19 and try to resolve that. And we'll still insist on
20 trying to reduce our maintenance cost, but if the board
21 unanimously agrees to put it back, we'll put it back.

22 **MR. FEKETE:** So you have a motion to
23 approve what we were just discussing?

24 **MR. BAKOTA:** Yeah, 150 foot of
25 fabric removed from the fence line, starting at the

1 north end south. Is that your request?

2 **MR. NGUYEN:** Yes, it will be just
3 the north near Cline.

4 **MR. BAKOTA:** Running south, 150 foot
5 of fabric.

6 **MR. NGUYEN:** And you'll be present
7 when we remove it.

8 **MR. FEKETE:** I will entertain a
9 second to Mr. Bakota's motion.

10 **MR. LOPEZ:** I second.

11 **MR. FEKETE:** All in favor signify by
12 saying yes.

13 **THE BOARD:** (Collective "yes").

14 **MR. FEKETE:** Any opposition, any
15 abstentions?

16 **(NO RESPONSE)**.

17 **MR. FEKETE:** Motion passes. Thank
18 you.

19 **MR. JONES:** I'd just like to say one
20 thing. I think it would be very helpful to ease the
21 common citizens' concerns, because this is all covered
22 and they read all this stuff in the paper about the CDF.
23 They think it's a big nasty place. Now they can
24 actually see it, it's nicely landscaped.

25 **MR. BAKOTA:** So that was the Army

1 Corps --

2 **MR. TREVINO:** Yeah, that was one of
3 the points they made.

4 **MR. BAKOTA:** And if you see it in
5 the summer with the wind blowing over that wheat or
6 whatever they plant there.

7 **MR. NGUYEN:** Yeah, it's grass.

8 **MR. FEKETE:** Native vegetation.

9 **MR. BAKOTA:** It doesn't look bad at
10 all.

11 **MR. RODRIGUEZ:** What kind of time
12 frame are you looking at to take that down?

13 **MR. NGUYEN:** We could start probably
14 the next few weeks, or earlier. Whenever the board
15 wants.

16 **MR. RODRIGUEZ:** When the real spring
17 shows up.

18 **MR. BAKOTA:** Yeah, I wouldn't want
19 to be out there now.

20 **MR. NGUYEN:** We could wait until
21 sometime in April. But we'll schedule a date when
22 you're available to come out.

23 **MR. BAKOTA:** When it's warm, 80.
24 That would be fine, whenever.

25 **MR. FEKETE:** Any other questions for

1 Mr. Nguyen?

2 **MR. JONES:** I had a question
3 regarding the road improvements. You're going to
4 improve the entrance. How many feet are you going back
5 with that improvement?

6 **MR. NGUYEN:** We're actually
7 lowering, making the slope less deep. So we're actually
8 dropping it, so not like extending it out. So it's more
9 of a safety concern during the wintertime because that
10 slope is a little bit steeper.

11 **MR. JONES:** What's the roadway
12 material? Is it asphalt, concrete, or crushed stone?

13 **MR. NGUYEN:** Again, we're still
14 working on the scope. I believe it -- I think it might
15 be concrete.

16 **MR. JONES:** Because that's my
17 concern with moving it back and your road is crushed
18 stone.

19 **MR. NGUYEN:** Right.

20 **MR. JONES:** Creating dust,
21 especially at the entrance.

22 **MR. FEKETE:** Any other questions?

23 **(NO RESPONSE)**.

24 **MR. FEKETE:** And again, we thank
25 you, Mr. Nguyen.

1 **MR. NGUYEN:** All right, thanks.

2 **MR. FEKETE:** Next on the agenda is
3 the Ellen Gregory report.

4 **MS. GREGORY:** I think I got left off
5 because I wasn't here last month.

6 **MR. TREVINO:** Oh, yeah you did. I
7 apologize.

8 **MS. GREGORY:** Mr. Fekete's putting
9 me back in. Mostly I'm going to just elaborate on some
10 of the items that Mr. Trevino raised.

11 On the insurance issue, there are
12 kind of 3 different baskets that we're trying to cover.
13 Those would be property coverage, liability and
14 directors and officers. And as Fernando mentioned, we
15 have some of the property coverage addressed with this
16 quote that's in the board packet, and we're moving
17 forward with Randy Vale to try and address the other
18 topics.

19 Also in the packet is a March 15th
20 letter from the Colonel of the Army Corps regarding 2012
21 dredging. And Mr. Trevino and I have looked at that and
22 gone back to the Arcelor Mittal tipping fee agreement
23 and compared those. We're going to be trying to meet
24 with representatives of Army Corps to kind of go through
25 that letter and add a little bit of detail so that we

1 have a better picture of what exactly was done in terms
2 of cubic yards and costs for the 2012 dredging, so we
3 know what kind of reconciliation needs to be done with
4 what's already been paid.

5 Kind of along the same vein, we're
6 trying to set up something with the Army Corps to talk
7 through what the 2013 dredging will entail, so we have
8 the estimates also to comply with the terms of the
9 Arcelor Mittal tipping fee agreement.

10 We have a tentative meeting
11 scheduled on April 10th with Kim Sabo, and I believe
12 Mike Nguyen will be part of it, to go through some of
13 that information, along with hopefully some more
14 detailed, up-to-date financial information on cost of
15 the CDF, mostly past costs and reconciling where we are
16 with our payments.

17 Just to kind of reiterate. I think
18 both of these items have been addressed. But in terms
19 of record keeping, we have the records coordinator form
20 that was approved today, and also we are in contact with
21 a Sarah Bundy (phonetics), who is with the forms
22 division of the Indiana Public Records Commission, to
23 make sure that our user fee appeal form is properly
24 approved by the state.

25 Tomorrow, Fernando and I have a

1 phone call with 2 representatives from the attorney
2 general's office to talk about the possibility of having
3 them assist us in pursuing non-payers of user fees. And
4 apparently there's a memorandum of understanding whereby
5 they can assist agencies like ours to do that.

6 And then I think I already pretty
7 much described the MREA, the Mirko Blesich contract, but
8 I'm willing to entertain any questions if anybody has
9 anything on that. And that's all I have.

10 **MR. FEKETE:** Any questions?

11 **MR. LOPEZ:** Yes. Matter of
12 information on the Army Corps. On the bottom of the
13 page it says, "During the dredging operation, we
14 encountered large amount of debris that exceeded our
15 contract quantity."

16 **MS. GREGORY:** Yes. We were aware of
17 that before we received this letter. And that's
18 probably going to be part of our discussions when we
19 have that meeting in April. It's my understanding that
20 a lot of the debris that was found was boulders and
21 rocks that were spilled in there to stop the wall from
22 kind of caving in from the canal whenever that was,
23 probably 10 years ago at least. And large amounts of
24 other types of debris, just because they hadn't dredged
25 in so long.

1 **MR. LOPEZ:** So there's going to be
2 an extra charge for that then?

3 **MS. GREGORY:** Yeah. And that was
4 part of what the Corps had been having to negotiate with
5 their contractor, because that was an additional cost
6 that they had anticipated. Is that right?

7 **MR. NGUYEN:** Yes. I want to make 2
8 statements. The stone that we placed to stabilize the
9 wall was in the Lake George branch. The larger amount
10 of debris, that's still inside the harbor when we
11 dredge. So we anticipated -- actually the contractor
12 estimated that there was basically almost a 10 to 1
13 ratio. Basically for every 10 cubic yards, they pulled
14 up 1 ton of debris. And so we actually finalized
15 negotiations with the contractor. We're revising our
16 costs for federal and non-federal dredging. And we
17 actually met with Arcelor Mittal today to discuss the
18 revised costs.

19 **MS. GREGORY:** You'll share that with
20 us, right?

21 **MR. NGUYEN:** Yes, we'll share with
22 you. And we wanted to make sure that Arcelor is fine
23 with sort of the new unit cost price and how it affects
24 their cost. So since the harbor hasn't been dredged for
25 40 plus years, we expected debris inside the harbor, but

1 it was a larger amount than what we anticipated.

2 **MR. FEKETE:** Any new business to
3 come before the board?

4 **(NO RESPONSE)**.

5 **MR. FEKETE:** Any other business?

6 **MR. JONES:** Yes. I've just got a
7 comment regarding this waste profile manifest. Do we
8 get copies back after it's delivered?

9 **MR. TREVINO:** Ask that again.

10 **MR. JONES:** On this hazardous waste
11 manifest. We're the generator so we sign off on it,
12 then it's transported and delivered. Do we get the
13 confirmation that it's been delivered?

14 **MR. TREVINO:** Yes.

15 **MR. JONES:** We do?

16 **MR. TREVINO:** Yes.

17 **MR. FEKETE:** Any other questions?

18 **(NO RESPONSE)**.

19 **MR. FEKETE:** Public comments?

20 **MS. KING:** Question.

21 **MR. FEKETE:** State your name please
22 for the record.

23 **MS. KING:** Carla King, Cal Project.

24 I'm requesting a copy of the board meeting notes for
25 February and this month.

1 **MR. TREVINO:** You have my email, so
2 you can easily email them. And one other comment on the
3 dredging that's ongoing or when it starts. I know
4 you're going to be measuring the toxins that's coming
5 up, correct?

6 **MR. BAKOTA:** There's monitors.

7 **MS. KING:** They'll be monitors? And
8 at some point the public will be made aware of?

9 **MS. NGUYEN:** All the information is
10 on the website right now. We have realtime air
11 monitoring data. So if you just go to the Corps
12 website.

13 **MS. KING:** Just give it to me after
14 the meeting, I can get the website.

15 **MR. NGUYEN:** Yes, I think if you
16 just go to -- if you leave me your information, I'll
17 forward you the website.

18 **MR. FEKETE:** Any other questions,
19 comments?

20 **(NO RESPONSE)**.

21 **MR. FEKETE:** Our next meeting will
22 be April 17th at 5:00 p.m. I'll entertain a motion to
23 adjourn.

24 **MR. BAKOTA:** Motion to adjourn.

25 **MR. FEKETE:** Do I have a second?

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MR. RODRIGUEZ: Second.

MR. FEKETE: All signify by saying
yes.

THE BOARD: (Collective "yes").

MR. FEKETE: No objections.

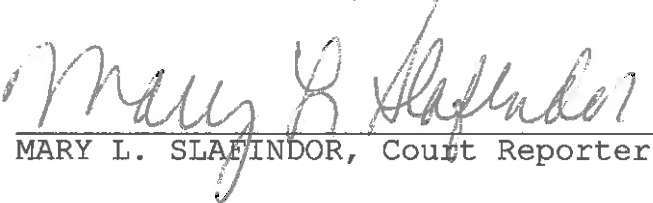
1 STATE OF INDIANA)
2 COUNTY OF LAKE) SS:

3
4
5 **REPORTER'S CERTIFICATE**

6
7 I, MARY L. SLAFINDOR, Court Reporter and Notary
8 Public in and for the State of Indiana, do hereby
9 certify that I have transcribed from my stenographic
10 notes the above-entitled meeting of the East Chicago
11 Waterway Management District Board of Directors Meeting.
12 Said notes contain all of the statements made during the
13 meeting, to the best of my ability.

14 I further certify that the foregoing transcript, as
15 prepared by me, is a full, true, correct and complete
16 copy of said stenographic notes made in the above-
17 entitled meeting.

18 IN WITNESS WHEREOF, I have set my hand this 11th
19 day of April, 2013.

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MARY L. SLAFINDOR, Court Reporter