

EAST CHICAGO WATERWAY MANAGEMENT
DISTRICT BOARD OF DIRECTORS' MEETING
City of East Chicago, Engineering/Annex Building
4444 Railroad Avenue
East Chicago, Indiana
June 17, 2015
Wednesday, 5:00 p.m.

Transcript of the proceedings had in the
above-entitled matter, on the 17th day of
June, 2015, at 5:00 p.m., at the City of East
Chicago, Engineering/Annex Building, 4444 Railroad
Avenue, East Chicago, Indiana, before Peggy S.
LaLonde, Certified Shorthand Report and Notary
Public for the County of LaPorte, State of
Indiana.

ISEMINGER & ASSOCIATES, INC.
14 Indiana Avenue - Suite A
1st Source Bank Building
Valparaiso, Indiana 46383
(219) 464-2178

June 17, 2015

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

MR. JOHN FEKETE, President

MR. HENRY RODRIGUEZ, Secretary

MR. JOHN BAKOTA, Board Member

MR. PATRICK RODRIGUEZ, Member

MR. KEVIN DOYLE, Member

MR. RAY LOPEZ, Member

MR. FERNANDO TREVINO, FMT Consulting

MS. ELLEN GREGORY, East Chicago Waterway Board
of Directors' Attorney

ALSO PRESENT:

NATALIE MILLS, U.S. Army Corps of Engineers

DAVID ALONZO, BMO Harris

JIM WESCOTT, Tetra Tech

TIM ANDERSON, CliftonLarsonAllen

CLAYTON MILLER, First Merchants Bank

* * * *

June 17, 2015

1 MR. FEKETE: I'd like to call to order the
2 East Chicago Waterway Management District Board of
3 Directors meeting. Today's date is June 17th. The
4 time is now 5:02 and we'll start with roll call.
5 John Bakota?

6 MR. BAKOTA: Here.

7 MR. FEKETE: Henry Rodriguez?

8 MR. HENRY RODRIQUEZ: Here.

9 MR. FEKETE: Patrick Rodriguez?

10 MR. PATRICK RODRIQUEZ: Here.

11 MR. FEKETE: Ted Zagar?

12 (No Response)

13 MR. FEKETE: Kevin Doyle?

14 MR. DOYLE: Here.

15 MR. FEKETE: Ray Lopez?

16 MR. LOPEZ: Here.

17 MR. FEKETE: John Fekete? Here. We have
18 a quorum.

19 Consulting Engineering report,
20 Mr. Trevino?

21 MR. TREVINO: Fernando Trevino, FMT
22 Consulting. I'd like to start off reviewing the
23 contents of your Board packet. You have the Board
24 minutes for May 20th, 2015.

25 The financial statements from

3

June 17, 2015

1 CliftonLarsonAllen dated May 31st, 2015. The claim
2 docket for approval consideration dated June 17th,
3 2015.

4 You have several or five User
5 Fee late notices to five companies dated June 3rd,
6 2015.

7 You have First Merchants Bank
8 bank statements for accounts ending in 608 and 616,
9 and both are for the month of May 2015. And you
10 have a User Fee deposit dated May 11th, 2015, copy
11 of the User Fee deposit.

12 You have a copy of an e-mail
13 from Mr. Clayton Miller through First Merchants and
14 its various documents, and I will go over that
15 during my report.

16 You have ECI Facility Trust
17 report from BMO Harris dated June 15th. You have a
18 letter of direction from BMO Harris dated June 17th,
19 2015.

20 You have an e-mail from myself
21 to Attorney Jim Wieser regarding submitting
22 insurance form for consideration. And that e-mail
23 is dated June 12th, 2015.

24 You have Tetra Tech progress
25 report dated June 9, 2015.

4

June 17, 2015

1 You have a draft of a letter
2 from the Waterway Management District to the Corps
3 dated June 17th, 2015, related to funds from the CDF
4 construction. You have the Army Corps of Engineers
5 report to the Board dated June 17th, 2015.

6 And last but not least, you have
7 Attorney Ellen Gregory's report to the Board with a
8 revised dated of June 16th, 2015.

9 Just to go over a few things,
10 the Finance Committee met last week on June 11th
11 with Mr. John Fekete, Ray Lopez and Kevin Doyle. We
12 met separately with First Merchants and BMO Harris
13 to review how to best invest trust and non trust
14 dollars and to be consistent with Board policy. So
15 I mentioned there is some documents in your Board
16 packet, some from BMO Harris and others from First
17 Merchants related to direction on how to invest our
18 dollars for those two accounts.

19 We also met with Mr. Tim
20 Anderson to review insurance applications and Great
21 Lakes Legacy Act fixed cost proposal and other
22 financial business. The recommendations from the
23 committee are included in your packet, including
24 that Board member Fekete continue to serve as the
25 investment officer, and that's on item 6 on your

5

June 17, 2015

1 agenda.

2 2015 User Fee collections are
3 ongoing. I mentioned that the nonpayment letters or
4 past due letters are in your Board packet, so we'll
5 be following up on that.

6 Great Lakes Legacy Act project,
7 some of the actions and deliverables include
8 completed, include feasibility study report, the
9 cleanup options fact sheet and the remedial
10 investigation report.

11 To summarize the committee
12 engagement activity, we held a stakeholder meeting
13 with the adjacent property owners on April 23rd and
14 follow-up meeting with IDEM's Care Committee on
15 April 28th. The third stakeholder meeting for the
16 public is scheduled next week, June 26th, 2015, at
17 6:00 p.m., at East Chicago's Main Library. We have
18 advertised the public meeting through the East
19 Chicago water bills and we also published a notice
20 in the Spanish/English newspapers, the local
21 newspapers. Hard copies of the feasibility study
22 and the fact sheets are available here at our office
23 and also at East Chicago's Main Library for public
24 review, and copies are also available on the
25 District's website.

6

June 17, 2015

1 We continue to meet with BP and
2 EPA to explore remediation cost share strategies.
3 And presently we are evaluating a project agreement
4 that would include BP. We also met with
5 Safety-Kleen to explore options with them as well.

6 Tim Anderson of
7 CliftonLarsonAllen is working on a fixed cost
8 proposal for EPA consideration. Great Lakes Legacy
9 Act project team has been working on funding options
10 for remediation phases and that will continue as we
11 get closer to the end of the year.

12 Tetra Tech's project report in
13 your packet for additional information and Mr.
14 Wescott is here from Tetra Tech to give an update on
15 the project.

16 Regarding the CDF and dredging
17 project, the project manager of the Corps, Natalie
18 Mills is here to give a report and a copy of her
19 report is in your Board packet. We are also working
20 with the Corps and BP on renewing the Section 10
21 permit agreement or the Section 10 permit I guess.
22 And Attorney Ellen Gregory will give an update on
23 some legal matters.

24 Some of regular meetings that
25 I've been participating on behalf of the District

7

1 include the ECI biweekly meetings, Great Lakes
2 Legacy Act project team meetings, the Roxanna/Marsh
3 Area Development meetings, which includes EPA, city
4 and other stakeholders, the dredging project
5 meetings, the wildlife management project meetings,
6 and Army Corps 12 point project meetings. That
7 concludes my report.

8 I have hard copies of the fact
9 sheet with me. I have handed out a few. If anyone
10 is interested, just let me know.

11 MR. FEKETE: Any questions for Mr.
12 Trevino?

13 (No Response)

14 MR. FEKETE: Thank you very much. Next
15 item is approval consideration of the Board meeting
16 notes for our last meeting, May 20th, 2015. I would
17 entertain a motion to approve the minutes.

18 MR. BAKOTA: Motion to accept.

19 MR. FEKETE: We have a motion. I'll
20 entertain a second.

21 MR. LOPEZ: Second.

22 MR. FEKETE: We have a second. We'll have
23 a voice vote. All in favor signify by saying aye?

24 (All signify aye.)

25 MR. FEKETE: Opposed?

June 17, 2015

1 (No Response)

2 MR. FEKETE: Motion is approved.

3 Accounting consultant report, Mr. Tim Anderson.

4 MR. ANDERSON: Tim Anderson,

5 CliftonLarsonAllen. You should have a copy of this
6 financial statement in your packet. Page 2 is the
7 first page with numbers on it. The receipts for the
8 five months ended May 31st, 600,954, that includes
9 the budget transfer from the Trust account, 268,000,
10 some interest income and the User Fees that we have
11 collected through May 31st, 330,000.

12 Disbursements are lined out there.

13 Engineering accounting, the
14 Great Lakes Legacy project is our biggest expense at
15 this point, 143,000. So we have taken in 601,000
16 roughly, into our operating accounts and we have
17 spent 274,000 to-date. So we have increased our
18 operating cash by almost 327,000.

19 The balance of those two
20 accounts, the Operating and the User Fee accounts,
21 at the beginning of the year was 2,006,000, and as
22 of May 31st, there's 2,333,000.

23 Page 3 has each account. The
24 Operating account is our budget account. There's
25 673,000 in that account. And what that represents

9

June 17, 2015

1 is the unspent budget that we have for 2015. And
2 then the User Fee account a million three at the
3 beginning, million six at May; that's just where the
4 User fees get deposited.

5 Page 4 is the landscape page.
6 This shows for each of our expense items what was
7 budgeted for 2015, what we have spent for May, and
8 then the claims docket that you have for today,
9 which is 60,867, and then what we've got left to go
10 for the year of 2015. So after we pay our bills
11 today, the 60,867, there's still 612,000 of unspent
12 budget basically. And you can see that we are not
13 really even close on anything except for rental
14 property insurance, which just has \$42.00 left in
15 the account. But we watch to make sure that nothing
16 is on the claim docket that would make this go over
17 budget. Any questions?

18 (No Response)

19 MR. ANDERSON: That's my report.

20 MR. FEKETE: Thank you very much. Next
21 item for our approval is approving the accounts
22 payable voucher register dated June 17th, 2015.

23 MR. LOPEZ: Motion to accept.

24 MR. FEKETE: I have a motion to accept.
25 I'll entertain a second.

10

June 17, 2015

1 MR. DOYLE: Second.

2 MR. FEKETE: We'll have a roll call vote.

3 John Bakota?

4 MR. BAKOTA: Yes.

5 MR. FEKETE: Henry Rodriguez?

6 MR. HENRY RODRIGUEZ: Yes.

7 MR. FEKETE: Patrick Rodriguez?

8 MR. PATRICK RODRIGUEZ: Yes.

9 MR. FEKETE: Ted Zagar?

10 (No Response)

11 MR. FEKETE: Ray Lopez?

12 MR. LOPEZ: Yes.

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

14 The motion is approved.

15 Next item is the appointment of
16 the investment officer as per our Board resolution,
17 that was mentioned by Mr. Trevino. I'll entertain a
18 motion to appoint me, John Fekete, as investment the
19 officer.

20 MR. DOYLE: So moved.

21 MR. FEKETE: Second?

22 MR. PATRICK RODRIGUEZ: Second.

23 MR. FEKETE: Roll call vote. John Bakota?

24 MR. BAKOTA: Yes.

25 MR. FEKETE: Henry Rodriguez?

11

June 17, 2015

1 MR. HENRY RODRIQUEZ: Yes.

2 MR. FEKETE: Patrick Rodriguez?

3 MR. PATRICK RODRIQUEZ: Yes.

4 MR. FEKETE: Ted Zagar?

5 (No Response)

6 MR. FEKETE: Kevin Doyle?

7 MR. DOYLE: Yes.

8 MR. FEKETE: Ray Lopez?

9 MR. LOPEZ: Yes.

10 MR. FEKETE: John Fekete? I abstain.

11 Motion is approved.

12 Next order of business is the First
13 Merchants Bank account report.

14 MR. MILLER: Clayton Miller, First
15 Merchants Bank. Last meeting we had the opportunity
16 to introduce ourselves and go over the accounts
17 ending in 616, was bearing interest of point two
18 percent.

19 At that time we met last week
20 with the Finance Committee to look at some options I
21 looked through the investment procedures and
22 followed the guidelines and the procedure to look at
23 the best options available. In your packet we sent
24 over a proposal so that we can generate a letter of
25 direction with. It's a CD, brokerage CD proposal.

12

1 Half of the account balance that we spoke about of
2 the account balance as of January 1st, of 2015,
3 1,334,000, half of it in one-year maturity and half
4 of it in two-year maturity. That will give yield to
5 maturity of point 794 percent on page 3. There is
6 six different brokerage CDs and make sure it's FDIC
7 insured, with no balances above \$250,000.

8 MR. FEKETE: Any questions for Mr. Miller?

9 MR. TREVINO: I just wanted to point out
10 the highlight of what Mr. Miller mentioned was we
11 did e-mail him a copy of our Board policy and, you
12 know, he's confirmed that the recommendations that
13 he has in front of us are consistent with the policy
14 and that they are also FDIC approved. And the two
15 directions, one is one year CD, the other is
16 two-year CD, so it doesn't lock us in a long term
17 scenario, but I think it allows us to exercise due
18 diligence on the money that's in the account being
19 able to earn a higher interest.

20 MR. MILLER: Included in the packet is the
21 new application agreement and the corporate
22 resolution where the elected official and authorized
23 signers need to set up a meeting to designate the
24 letter of direction and the account documents to be
25 signed.

June 17, 2015

1 MR. TREVINO: In our case it's appointed
2 official, not elected.

3 MR. MILLER: Okay.

4 MR. FEKETE: Okay. We'll take care of
5 that at closing.

6 MR. TREVINO: I guess the other thing you
7 mentioned, Clayton, was that the letter of direction
8 you don't have right now. We'll set up a meeting
9 next week with those that are authorized to sign and
10 you'll have those instruments ready, but it will be
11 consistent with what we talked about here.

12 MR. MILLER: Correct.

13 MR. TREVINO: The exact dollars will vary
14 obviously because you are going to stand at 250,000.

15 MR. MILLER: Correct. Each of these CDs
16 have, the offer period is one week period. So the
17 offer starts on Monday and they end on Friday. So
18 we meet next week, we're looking at a different
19 offer from the financial institutions.

20 MR. TREVINO: Okay. Thank you.

21 MR. FEKETE: I think our aim was to make
22 sure we had everything in place by the end of the
23 month, so that basically our CD calendar was
24 July 1st to June 30th.

25 MR. LOPEZ: That's how we did it.

14

June 17, 2015

1 MR. MILLER: Maturity dates are middle of
2 June and August.

3 MR. FEKETE: Okay. Thank you very much.
4 When are we going to sign the letter of direction?

5 MR. TREVINO: That's -- you mean from
6 First Merchants?

7 MR. FEKETE: Right.

8 MR. TREVINO: That will be -- he'll call
9 and schedule a follow-up meeting because what he was
10 saying, they're done in one week increments, right?

11 MR. MILLER: The offerings for this week
12 may not be available next week, so the individual
13 investments will be a little different.

14 MR. FEKETE: Do we need Board approval to
15 sign this letter?

16 MR. TREVINO: I'll defer to Attorney Ellen
17 Gregory. I think as long as, you know, the Board
18 approves that this is the direction we are going to
19 take authorizing you and Ray Lopez to sign it based
20 on what was discussed here. Ellen?

21 MS. GREGORY: The resolution is going to
22 be signed when? When is the resolution going to be
23 signed?

24 MR. TREVINO: That will be signed today.

25 MS. GREGORY: I think as long as we have

15

June 17, 2015

1 the resolution signed.

2 MR. TREVINO: Okay. So you probably
3 should make a motion to approve the resolution and
4 the direction of funds as we discussed here today.

5 MR. FEKETE: Okay. I will entertain a
6 motion to approve the resolution as presented.

7 MR. BAKOTA: So moved.

8 MR. FEKETE: I have a motion. Do we have
9 a second?

10 MR. LOPEZ: Second.

11 MR. FEKETE: Roll call vote. John Bakota?

12 MR. BAKOTA: Yes.

13 MR. FEKETE: Henry Rodriquez?

14 MR. HENRY RODRIQUEZ: Yes.

15 MR. FEKETE: Patrick Rodriquez?

16 MR. PATRICK RODRIQUEZ: Yes.

17 MR. FEKETE: Ted Zagar?

18 (No Response)

19 MR. FEKETE: Kevin Doyle?

20 MR. DOYLE: Yes.

21 MR. FEKETE: Ray Lopez?

22 MR. LOPEZ: Yes.

23 MR. FEKETE: John Fekete? I vote yes.
24 Make sure we have the proper approval.

25 So next order of business is the

16

1 BMO Harris account.

2 MR. ALONZO: David Alonzo, BMO Harris
3 Bank. First we went through the Trust report that
4 we do on a monthly basis, go through the letter of
5 direction from our meeting. So we start off the
6 Trust report, of course the first page is just the
7 historical data from 1976 of the Trust up till this
8 point.

9 Second page shows a value of the
10 Trust on June 15th of \$5,745,608. That was a
11 difference of \$30 from the last meeting. Primarily
12 that little amount was because there was no interest
13 paid from the CDs because they were paid the
14 previous month, and then also there is upcoming
15 interest that's being credited out. So we'll see
16 that in our next meeting.

17 The distributions here to-date
18 were, for the year, were \$268,519.

19 So in the last page gives us
20 really the breakdown of the accounts, how they are
21 set up right now. The yellow highlights what our
22 main discussion was during the Investment Committee
23 meeting for two certificates coming due.

24 So when I met for that
25 Investment Committee meeting, really it was a matter

June 17, 2015

1 of discussing some of those recommendations, what we
2 wanted, some options for these funds. Number one
3 was really staying in line with the investment
4 policy and making sure that number one, this money
5 is FDIC insured, which it is. Number two, that it's
6 covered under public funds insurance. So what we
7 have done is, we have really taken the approach
8 right now that the Treasury's and agency bonds at
9 this particular time are not paying higher yield
10 than what the bank's offering. The CD rates that we
11 have provided for the letter of direction were about
12 two to three times higher than what the current
13 rates are right now in our CDs, and what we are
14 offering is actually better than what the Treasury
15 units are at this point.

16 So one thing too, we did try to
17 stay away from the C-Dart programs because the banks
18 on those programs are not through banks which are
19 inside of the State of Indiana. Those CDs are not
20 issued in Indiana, so they are not covered under
21 public funds insurance either.

22 So with that being said, the
23 letter of direction, you should have a copy of that
24 in your packet. What we had looked at doing, we've
25 been laddering these CDs out for the last five years

18

June 17, 2015

1 and we had some good CD rates when did the five-year
2 one. Unfortunately that's one of the ones that is
3 coming due now and we had a nice interest rate on
4 that. We've got two CDs coming up next year, so we
5 are going to continue that CD ladder that we have
6 had, shorten it up, but the furthest we are going to
7 go out is four years. We are in the rate
8 environment possibly see some interest rate move
9 toward the end of this year, if not into early next
10 year. So we opted to take a look at it.

11 What my recommendation was to
12 look at \$1.5 million CD for three years and the
13 longest part of that CD ladder would be the \$850,000
14 CD. Remaining balance of about \$267,900 in funds
15 will be deposited into that prime money market
16 account. We've always tried to maintain at least
17 \$500,000 in that account and right now it's about
18 240 because of the budget distributions we had.

19 So these numbers for the CDs can
20 be precise. The money going into the money market
21 might be a little higher than what I listed there
22 because of some of the interest that's going to be
23 credited on these CDs because it's accrued at the
24 end of the month.

25 Did you have any questions at

19

1 all?

2 (No Response)

3 MR. ALONZO: You know, I know went through
4 the proposal at the meeting with the interest rates
5 and I forgot to grab that printout that said what
6 these rates were, they are two to three times higher
7 than the current rates out there right now.

8 MR. FEKETE: Okay.

9 MR. TREVINO: Again as a comment, Mr.
10 Alonzo had our investment policy in the past. I
11 e-mailed it to him again just to reacquaint
12 ourselves with the policy. We have confirmed that,
13 you know, this letter of direction and what we are
14 doing with our funds are consistent with our policy.

15 MR. ALONZO: Correct.

16 MR. FEKETE: Okay. Thank you very much.
17 I need a motion to approve the signing of the letter
18 of direction to BMO Harris Bank.

19 MR. LOPEZ: So moved.

20 MR. FEKETE: We have a motion. Second?

21 MR. BAKOTA: Second.

22 MR. FEKETE: I have a motion and a second.
23 Roll Call vote. John Bakota?

24 MR. BAKOTA: Yes.

25 MR. FEKETE: Henry Rodriguez?

June 17, 2015

1 MR. HENRY RODRIQUEZ: Yes.

2 MR. FEKETE: Patrick Rodriguez?

3 MR. PATRICK RODRIQUEZ: Yes.

4 MR. FEKETE: Ted Zagar?

5 (No Response)

6 MR. FEKETE: Kevin Doyle?

7 MR. DOYLE: Yes.

8 MR. FEKETE: Ray Lopez?

9 MR. LOPEZ: Yes.

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

11 Motion is approved.

12 Great Lakes Legacy Act project
13 update, Mr. Wescott.

14 MR. WESCOTT: Jim Wescott, Tetra Tech. We
15 complete the feasibility study. Fernando mentioned
16 there's a public meeting in a couple weeks to go
17 over that, get additional feedback. I think in the
18 previous meeting I mentioned we had already gotten
19 feedback from the Care Committee, which John sits
20 on, the User group, that Fernando organized.
21 The feasibility study already incorporates comments
22 from local stakeholders and then get more feedback
23 from additional stakeholders.

24 All the field work is done.

25 It's just I think at this point adjusting any --

21

1 getting feedback, making any final modifications to
2 the different options from different areas, and then
3 moving forward with the design, which we should be
4 finished with by the end of the calendar year. So
5 it would be on budget and I don't have to worry
6 about that in 2016. And then it's just a matter of,
7 as Fernando mentioned, trying to get the finance to
8 work and approve the design into construction.
9 That's really going to be the crux of the issue for
10 the next six months or so.

11 MR. BAKOTA: Is there only one hot spot
12 found?

13 MR. WESCOTT: There was. So we -- in the
14 Indiana Harbor Canal, is that the one you are
15 talking about?

16 MR. BAKOTA: Yes.

17 MR. WESCOTT: We went back to delineate --
18 it's still hot, but it's not the area that would be
19 TSCA, the PCBs, which would be parts per million.
20 We didn't see any additional sample locations that
21 had over fifty. So it would be relatively a small
22 area. Still what can end of happening in our
23 discussions with EPA and we'll probably take a
24 footprint that's bigger, you know, around that one
25 point to make sure that there isn't some that we

1 missed. And then when we dredge that out, that will
2 be handled as toxic waste. And then before we
3 dredge anything else, the contractor, whoever that
4 is that EPA selects, will go back and do some
5 additional sampling and make sure there isn't any
6 PCBs that they missed or they switch to doing a non
7 toxic dredge.

8 MR. BAKOTA: Just as an opinion, do you
9 think that's where it was deposited? It didn't come
10 from upstream?

11 MR. WESCOTT: It's hard to say, you know.

12 MR. BAKOTA: I mean if you see a company
13 parallel in the banks there, of course it don't mean
14 anything.

15 MR. WESCOTT: It could be. It's all
16 speculative.

17 MR. FEKETE: I mean, historically going
18 back you could probably find all kinds of things
19 that could be possible. Like Jim said, it's all
20 speculative at this point in time.

21 MR. WESCOTT: We did do -- you know you
22 had mentioned before about doing the E coli and TSS
23 sampling as well as per the source control. We did
24 that as well and we didn't really see any
25 significant E coli or E coli suspended parts coming

1 out because there was a component of the field work
2 that we were looking at a number of different
3 outlets. You had asked about E coli.

4 MR. BAKOTA: Yeah, you didn't separate
5 human to animal though.

6 MR. WESCOTT: No. And the E coli counts,
7 at least coming out of storm water are pretty low.

8 MR. BAKOTA: That's good.

9 MR. FEKETE: That's great. Any other
10 questions for Mr. Wescott?

11 (No Response)

12 MR. FEKETE: Thank you. US Army Corps
13 report.

14 MS. MILLS: Natalie Mills, US Army Corps
15 of Engineers. Good evening. So the contractor is
16 continuing to dredge. They began their dredging on
17 the 2nd of May and as of today they reported that
18 they have dredged approximately 200,000 cubic yards.
19 They are under contract to dredge 280,000 cubic
20 yards of federal material. We are working with
21 Arcelormittal to include their dredging which would
22 be an additional 40,000 cubic yards, which will take
23 us to 320,000 cubic yards for this dredge season.

24 MR. BAKOTA: That will go through the
25 Summer?

June 17, 2015

1 MS. MILLS: Right now, for our quantity,
2 they are saying they will be done mid July. And I
3 would guesstimate, you know, the end of July, once
4 we do the modifications to include Arcelormittal
5 material.

6 So in working with Fernando,
7 Ellen, Arcelormittal as far as the next step for
8 including that dredging for the non federal sponsor,
9 we are currently writing a letter similar to the one
10 we did for the 2013 dredging, just identifying how
11 much material, and what are the costs, and that will
12 be shared with you all. As well as we are writing a
13 certificate of withdrawal to withdraw the money for
14 the dredging that's currently in the escrow account.
15 That will be coming your way, hopefully this week it
16 will be routed for signature today.

17 As far as the Kokosing contract,
18 we are continuing to work towards getting the
19 modification for the waste water treatment plant.
20 It's been a long process, but we are finally moving
21 forward and we are hoping to have that on-site as
22 soon as possible to start extracting and treating
23 and removing some of the water on the site. It's
24 probably going to be the September time frame by the
25 time they get all the equipment and they mobilize

25

1 and do testing, probably be September before they
2 actually start removing any of the water which will
3 be well after the dredging.

4 MR. FEKETE: This is the surface water,
5 right, not the well water?

6 MS. MILLS: It would be the extraction fee
7 because the ground water which is extracted it goes
8 into the pond.

9 MR. FEKETE: It all goes in the same
10 treatment plant?

11 MS. MILLS: It will go in the sill and the
12 treatment plant will be pulling the water from the
13 sills, and it will be treated and then discharged to
14 the canal.

15 So additional construction,
16 ongoing is the permanent well installation. They
17 are near completion. They reported they installed
18 all eight of their wells and now they are doing
19 their testing of the system to make sure it actually
20 works and is talking with the computer system, you
21 know, shut on and off with the well levels; so they
22 are testing that now. They're scheduled to be done
23 early July.

24 MR. BAKOTA: Is that water treated even
25 when you are not -- when the site isn't active,

1 after you stop dredging?

2 MS. MILLS: It hasn't been in the past,
3 but it will be going forward.

4 MR. BAKOTA: It will always --

5 MS. MILLS: Right now it sits there,
6 settling in the pond, but they will begin dredging
7 from the west -- not dredging -- extracting from the
8 west and they will continue to extract as long as
9 weather permits. So some time this Winter they will
10 continue and then start again in the Spring.

11 CDF documentation, the permits.
12 So we are having an internal meeting on the draft
13 permit conditions for the TSCA permit. As you may
14 recall we are suppose to meet on the 13th of May.
15 The comments were on the 6th of and wasn't enough
16 time, so we rescheduled the meeting. We are going
17 to meet on the 30th of June and so then we'll plan
18 to have like a conference call sometime afterwards,
19 get everyones schedule. So early July we'd like to
20 meet initially just over the phone to discuss the
21 preliminary comments and then when we can later in
22 that month or in August to meet as a group.

23 MR. FEKETE: So the TSCA meeting is
24 tentatively scheduled for the 30th?

25 MS. MILLS: Just for us to discuss the

1 conditions, just internal, the Corps.

2 MR. FEKETE: Okay.

3 MS. MILLS: And then we want to talk with
4 everyone in early July just to say, hey, this is
5 where we are and just discuss the things that we
6 have questions about and things that we have some
7 heartburn over and things that we can negotiate
8 with, and then meet again, you know, in person, like
9 we are suppose to.

10 MR. FEKETE: Okay. Just moving ahead with
11 the process, but right now it's at the internal
12 review within your organization?

13 MS. MILLS: Correct. As far as the oil
14 boom coordination, I know that permit, I talked them
15 today and I'm working on that, to get that permit
16 issued. That's not going to be an issue of getting
17 it done.

18 MR. FEKETE: The Section 10 permit?

19 MS. MILLS: Yes.

20 MR. FEKETE: Good.

21 MS. MILLS: PCA revision, I still need to
22 check with Tim to see who's going to be meeting with
23 us in August, temporary detail. I'll call to check
24 on that.

25 I'll let Ellen discuss the

June 17, 2015

1 Feddeler appraisal. I don't know where we are with
2 that at this time.

3 The website, I sent the note
4 some time ago requesting the Board would be able to
5 or the State be able to host our air monitoring
6 data. We have a meeting with our headquarters and
7 we also had a meeting with Argonne National
8 Laboratories, they may be able to host it out of
9 theirs. I'll keep you all posted as I learn more.

10 We have a couple of new
11 contracts that we were working on. One is the
12 equipment storage facility, which is essentially
13 like a garage. We can't build garages, so it's an
14 equipment storage facility.

15 MR. BAKOTA: You keep equipment in it?

16 MS. MILLS: We keep equipment in it.
17 Can't keep a car in there. So that's what that
18 means. So we are working on contract plans and
19 specifications. Fernando, I have copy of the plans
20 and specs for you, you can review it, and then we
21 are scheduled to award it in August.

22 And then the next contract that
23 we are working on is the next dredging and operation
24 contract. The Kokosing contract expires in
25 September of 2016, so we want to make sure we have

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1 continuity of service. So we are looking to award
2 that sometime in FY16, maybe December, maybe
3 January, I'm not quite clear. Just to give them an
4 opportunity to get their plans together and submit
5 and approve so Kokosing is not leaving and we have
6 this gap; so we've got that covered. That's all I
7 have.

8 MR. FEKETE: I was working on a memo to
9 the Corps regarding total quantities dredged and
10 some of the non federal navigation quantities. So I
11 sent you an e-mail, obviously you were probably in
12 transit. So is the total 108?

13 MS. MILLS: So I talked to Dan because I
14 wasn't quite clear. So he's going to get back to me
15 and we can talk it through. According to our
16 financial system, it's the 91,000. I'm all confused
17 which it is.

18 MR. FEKETE: Which one should I use?

19 MS. MILLS: What's it for?

20 MR. FEKETE: We're drafting a letter to
21 the Corps to start talking about the conversation of
22 the monies that we contributed toward the CDF
23 construction and, you know, possible reimbursement
24 process. So in the letter we have got the
25 quantities quoted and I want to be accurate as

1 possible.

2 MS. MILLS: So, Dan, do you think you will
3 able to get something maybe tomorrow?

4 MR. BANAS: Sure.

5 MR. FEKETE: Okay. Thank you.

6 MS. MILLS: Sorry for the confusion.

7 MR. BANAS: Dan Banas, B-A-N-A-S, with
8 OCS.

9 MR. FEKETE: Thank you very much.

10 Mentioning the letter, we don't have it to sign now,
11 but we should have Board approval to sign it once we
12 get the proper information. So I'll entertain a
13 motion to have this letter approved, to approve the
14 letter and to have it signed and sent off.

15 MR. LOPEZ: So moved.

16 MR. FEKETE: We have a motion. Second?

17 MR. DOYLE: Second.

18 MR. FEKETE: Roll call vote. John Bakota?

19 MR. BAKOTA: Yes.

20 MR. FEKETE: Henry Rodriguez?

21 MR. HENRY RODRIGUEZ: Yes.

22 MR. FEKETE: Patrick Rodriguez?

23 MR. PATRICK RODRIQUEZ: Yes.

24 MR. FEKETE: Ted Zagar?

25 (No Response)

June 17, 2015

1 MR. FEKETE: Kevin Doyle?

2 MR. DOYLE: Yes.

3 MR. FEKETE: Ray Lopez?

4 MR. LOPEZ: Yes.

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

6 The next and final order of
7 business is Ellen Gregory, attorney report.

8 MS. GREGORY: Ellen Gregory, with
9 Bamberger, Foreman, Oswald & Hahn. I don't have a
10 whole lot to report. Most of the items have been
11 covered by other people, but the consent decree is
12 somewhat stalled. BP is suppose to be preparing a
13 draft and on the last call, Michael Elam, who is
14 BP's attorney, explained that because of some
15 internal BP restructuring they are delayed a few
16 weeks, but hope to have a draft within the next few
17 weeks.

18 They are moving forward with the
19 an OC work. The south parcel investigation, they
20 submitted a revised work plan to EPA last week,
21 which has been shared with us.

22 On the Feddeler issue, we have a
23 draft appraisal report that has been submitted to
24 the Army Corps for review. They had some comments
25 which will be shared or has been shared already with

32

1 David Begoin, who is the appraiser. And we'll be
2 setting up a conference call with the Army Corps
3 lawyer and David Begoin, to talk through the
4 comments and come up with a final appraisal that
5 will then be used in the negotiations with the
6 Feddeler attorney to hopefully resolve their claim
7 for the interest in the parcel on the CDF. There is
8 also a BP interest in that same parcel. Feddeler
9 has a right-of-way interest. BP has apparently the
10 ownership interest. And the Army Corps lawyer has
11 been in contact with the BP lawyer on resolving that
12 as well.

13 And as Natalie mentioned, the
14 PCA negotiations have also been stalled since Jim
15 Roth, the Army Corps lawyer, has been reassigned and
16 we are hoping to hear soon on who's going to be
17 handling that from the side of the Corps. And
18 that's all I have.

19 MR. FEKETE: Any questions?

20 (No Response)

21 MR. FEKETE: Thank you very much. Any new
22 business to come before the Board?

23 (No Response)

24 MR. FEKETE: I have just one piece of
25 information, it's not necessarily new business. In

1 a meeting with IDEM yesterday, it was brought up
2 that the Care Committee and IDEM will be holding
3 again their annual meeting. And it's thought at
4 this time that it will be in either late September
5 or early October. And the question is, we had
6 hosted last year, it was actually July 29th of last
7 year we hosted it and would we be interested in
8 hosting it at perhaps the same place. And it's just
9 in the preliminary discussion of what would want to
10 be presented, but in taking a look at a draft
11 outline, there is a lot of things going on in East
12 Chicago which makes it, in my opinion, important to
13 have it here in East Chicago. You've got the George
14 Park, you've the Roxanna/Marsh project, so if we can
15 do things here in East Chicago I think it would be
16 important for us to support having it here again.

17 There was some discussion about
18 having it possibly at the Marina because of the
19 George Park, but we are not really sure how they
20 would arrange to get the arena, that area that we
21 have at the Marina. So they are looking into that
22 and see in they can get that.

23 MR. BAKOTA: Is that the one we had at
24 Purdue that time? Was that the meeting --

25 MR. FEKETE: The one we had at the VFW,

June 17, 2015

1 the Legion Post. So we would offer that again if
2 the Board approved.

3 MR. BAKOTA: I thought that was a good
4 meeting.

5 MR. TREVINO: I thought it was good.

6 MR. FEKETE: I'm bias, but I thought it
7 was one of the better ones that we had.

8 MR. TREVINO: What's the date of it?

9 MR. FEKETE: It would be late September or
10 early in October. Just so you know, it's still in
11 planning stages so we really don't need to take any
12 Board action, it was a discussion or suggestion.

13 MR. TREVINO: Well, just from a planning
14 standpoint, if the Board is interested in moving
15 forward, we probably should take that position at
16 the next meeting because there's a lot of planning
17 involved, including reserving the space and getting
18 them involved. So we'll put that -- I'll remember
19 to put that on the agenda. But I would recommend we
20 host it as well.

21 MR. LOPEZ: We can follow-up on that.

22 MR. FEKETE: Okay. Very good, I'll pass
23 the word along. Thank you.

24 Any other business to come
25 before the Board?

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(No Response)

MR. FEKETE: Any public comments?

(No Response)

MR. FEKETE: Hearing none, the next Board meeting is July 15th, at 5:00 p.m., at this facility and we'll entertain a motion for adjournment.

MR. BAKOTA: Motion to adjourn.

MR. FEKETE: I have a second?

MR. RODRIQUEZ: Second.

MR. FEKETE: All in favor signify by saying aye?

(All signify aye.)

MR. FEKETE: Any opposition?

(No Response)

MR. FEKETE: Hearing none, we are adjourned.

(MEETING ADJOURNED.)

* * * * *

June 17, 2015

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 LaPorte, 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 17th day of June, 2015, 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 26th day of June, 2015.

Peggy S. LaLonde



Peggy S. LaLonde, CSR

My Commission expires: 3/14/2018