

**EAST CHICAGO WATERWAY MANAGEMENT DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
October 16, 2013 BOARD MEETING**

A meeting of the Board of Directors of the East Chicago Waterway Management District was held on October 16, 2013 at 4444 Railroad Avenue, East Chicago, Indiana.

Agenda Item I – Call to Order/Roll Call

The meeting was called to order at 5:03 p.m. by Board President, John Fekete followed by a roll call of the Board Members:

BOARD of DIRECTORS PRESENT:

JOHN FEKETE, President
ERNEST JONES, Vice President
RAY LOPEZ, Secretary
JOHN BAKOTA, Board Member
HENRY RODRIGUEZ, Board Member

BOARD of DIRECTORS ABSENT:

MIKE EBERT, Treasurer
RICH GOMEZ, Board Member

ALSO PRESENT:

FERNANDO M. TREVINO, Executive Director, FMT Consulting, Inc.

A quorum of Directors was present, and the meeting was duly convened.

Agenda Item II – Consulting Engineering Report – FMT Consulting, Inc.

Report was given by Fernando M. Trevino of FMT Consulting, Inc., which went over items in the board packets, as well as action items to be taken.

Summary of board packet contents – September 30, 2013, Financial Statements by CliftonLarsonAllen; Claim Docket dated October 16, 2013; Strategic Planning Report dated October 16, 2013; Excerpt of the Strategic Planning Report that includes the action plan dated October 16, 2013; Form titled Beaver Oil Company Customer Survey Form; 2014 Proposed Budget dated October 16, 2013 and supporting back up data that included FMT Consulting, Office Assistant and Attorney Ellen Gregory; Summary of 2013 FMT Consulting hours worked through September dated October 16, 2013; Citizens Financial Bank monthly statements ending in 608 and 616 both dated September 30, 2013; BMO Harris Bank statement ending in 761 for September 2013; Letter of direction to BMO Harris Financial Advisors regarding the ECI

Facilities Trust dated October 16, 2013; BMO Harris ECI Facilities Trust report dated October 15, 2013; (2) Peoples' Bank Account Statements: ECWMD Dredging Escrow Account and Tipping Fee Escrow both for July 1, 2013-September 30, 2013 for account ending in 46 and 47; Certified Liability Insurance from Explorer Pipeline dated September 27, 2013; ARCADIS report dated September 23, 2013 regarding the progress report for the month of June, 2013 for the ECI site; (3) page Army Corps Dredging Progress Report indicating dredging completed in 2012 and 2013 and dredging planned for 2014 and 2015; Army Corps monthly monitoring report for the Indiana Harbor Canal Confined Disposal Facility for the Waste Water Treatment Plant and PDS permit dated September 26, 2013; Army Corps report dated October 16, 2013; and Attorney Ellen Gregory's monthly report dated October 15, 2013;

Fernando, FMT, gave an update on a few items:

- Great Lakes Legacy Act Update:
 - o A meeting was scheduled early October, 2013 with representatives from EPA to review the Great Lakes Legacy's Act Project Agreement and Statement of work. Due to the Government shutdown, the meeting had to be rescheduled.
 - o The Plan was to have it ready and finalized for approval consideration today but it will have to be pushed back. Fernando is hoping to provide it at the November Board meeting.
- Strategic Planning – A copy of the Strategic Plan was provided at the last Board meeting, for your review. Minor comments were received from the Board, which have been incorporated and the Strategic Plan is on the Agenda for approval consideration today.
- Keystone Update – The Claim Docket in the Boards packet, which is on the Agenda for approval today, was generated using the Keystone Software. The software transition is progressing well. Tim Anderson will elaborate on the transition, during his monthly report.
- Finance Committee Meeting – A meeting was held October 4, 2013 - Items Discussed:
 - o ECI Trust Account – Direction on an expiring CD – The recommendation is on the agenda today for approval consideration.
 - o 2014 Budget Forecast
 - o FMT Consulting 2013 hours worked to date
 - o Training and classes
 - o Review of management options for the Great Lakes Legacy's Act Project
- Website – The website has been completed and is now online. Fernando sent an email to everyone on the distribution list that receives Board meeting notices, making them aware of the website. To date; the feedback on the website has been positive.
- Real Estate Update – Efforts to produce a catalog of easements' on the Districts' properties continues, as well as resolving other real estate issues.
- Agenda Item VI – Free Phase Hydrocarbon Recovery, Survey Form – Earlier this year the Board approved an amendment to the agreement commonly known as the Section Ten Permit Agreement with BP. The amendment included the Districts' cooperation on disposal of oil recovered on the South Tank Farm. The Free Phase Hydrocarbon

Recovery, Survey Form in the Boards' packet is part of the process, to begin the off-site disposal of the hydrocarbon.

- FMT Performance Evaluation – At the last meeting; Fernando handed out a Performance Evaluation Form for his services, which is due November 1, 2013. A few forms have been received; however, there are a few outstanding. A report will be submitted to the Board, when all forms have been received. Besides it being required by contract, it is also necessary to achieve FMT's goal to provide the best services possible.

Agenda Item III – Accounting Consultant Report

Financials through September 2013 – Tim Anderson presented and summarized the financial reports prepared by CliftonLarsonAllen.

- Statement of Cash Receipts and Cash Disbursements, for the Ninth Month ended September 30, 2013,
- Schedule 1 – Summary of Cash Accounts Activity, for the Ninth Month ended September 30, 2013,
- Schedule 2 – Balance Available Budget, as of September 30, 2013,
- Accounts Payable Voucher Register dated October 16, 2013,
- Software Transition – CliftonLarsonAllen has switched over to Keystone. Olga Cosme has to backfill some of the User Fee information. It worked very well on the check side. Everything is automated. Purchase Orders come out of the software. Reports look a little different; however, they are essentially the same. Fernando requested an 11"x17" copy of the final report in the future, so it's easier to read.

There were no questions on the reports presented by Tim Anderson.

Agenda Item IV – Approval Consideration – Accounts Payable Voucher Register, October 16, 2013

Approval Consideration of the Accounts Payable Voucher Register dated October 16, 2013 – Motion was made by John Bakota to approve and seconded by Ernest Jones, all ayes, motion was approved.

Agenda Item V – Approval Consideration – Strategic Plan

Fernando reported on the Strategic Plan:

- The Strategic Plan Report is a result of a team effort that was put together by the Board and Praxis (Strategic Planning Consultant).
 - There was a retreat that summarized who the District is and who we want to be. After a hardworking effort and review of the draft document; the final report has been submitted for approval consideration. It is a good snapshot of where the District wants to go. The Strategic Plan is for the 2014-2017 timeframe.
 - The second part of the report is an excerpt – Goals and objectives. Third column is the action items and forth column is the year. Fernando, in the next few months will fill in the boxes for Board consideration – What actions need to be done and the timeframe in order to achieve the Strategic Plan.
 - There have been minor comments from the Board and they have been incorporated into the report.

Approval Consideration of the Strategic Plan 2014-2017 – Motion was made by John Bakota to approve and seconded by Raymond Lopez, all ayes, motion approved.

Agenda Item VI – Approval Consideration – Free Phase Hydrocarbon Recovery, Survey Form

Fernando reported on the Free Phase Hydrocarbon Recovery, Survey Form:

- It was part of a Section 10 Permit agreement with BP that has already been approved where the Waterway Management District will participate in the disposal of the Free Phase Hydrocarbon recovered on the South Tank Farm. The Board went through this process for the Boom Disposal.

John Fekete questioned whether the form would be submitted monthly. Fernando stated it will be done only when off-site transportation/disposal is necessary. Raymond Lopez questioned whether there is a cost. Fernando reported not to ECWMD.

Approval Consideration of the Free Phase Hydrocarbon Recovery, Survey Form – Motion was made by Raymond Lopez to approve and seconded by Henry Rodriguez, all ayes, motion approved.

Agenda Item VII – Approval Consideration – 2014 Operating Budget

John Fekete reported on the 2014 Operating Budget:

- It was presented to the Finance Committee and reviewed. The 2014 Operating Budget is the result from input from the Finance Committee. The Finance Committee met on Friday, October 4, 2013. Raymond Lopez reported the Finance Committee recommended approval.

Approval Consideration of the 2014 Operating Budget – Motion was made by Henry Rodriguez to accept and seconded by Ernest Jones, all ayes, motion approved.

Agenda Item VIII – Harris BMO Trust Report

David Alonzo of BMO Harris gave an update on the report submitted:

- Value of Trust, Interest, and Distributions
- CD maturing on October 19, 2013
 - Looking into a three year CD; the interest rate was increased, which would double the interest on the certificate of deposit for the Trust Holdings
- CD maturing April 2014
- Money Market

Approval Consideration of the CD maturing on October 19, 2013 – Motion was made by Ray Lopez to switch the CD to three years at an interest rate of .9%, with the provision that withdrawals can be made up to one million dollars without penalty per the October 6, 2013 Letter of Direction to BMO Harris and seconded by John Bakota, all ayes, motion approved.

Agenda Item IX – New Business

John Bakota stated that a previous report presented to the Board on the Grand Calumet River regarding removing invasive species along the waterway. They indicated it would be maintained by the State. John Bakota requested they return to determine if funds are being budgeted to maintain the waterway and plans for eradicating the future growth of invasive species. Fernando reported he would contact Jim Smith.

John Fekete reported in November there will be a presentation at Purdue Calumet on Saturday regarding work on the Area of Concern (AOC). John will send an email with details to the Board.

Ernest Jones indicated there was an item addressed in Executive Session regarding Indianapolis Blvd. Parkway Beautification. Ernest question whether anything in writing was received from the Army Corps regarding details of the Beautification. Fernando reported there was nothing in writing, other than their verbal presentation to the Board. They presented a couple landscape rock options for the City to choose from. The information was solicited from the City and provided to the Army Corps. Ernest requested a written plan. Fernando reported he will follow up with the Army Corps.

John Fekete reported the Board does not have a court reporter, for the second meeting in a row. We are evaluating our needs. We have asked Fernando to search alternatives, since our previous reporter is not available. Ernest Jones questioned whether the office help could assist. John Fekete reported a court reporter is more official.

Agenda Item X – Other Business

John Fekete reported on a conversation he had about 10 days ago with a representative familiar with the Jeorse Park Modeling Project and that the Study is working its way through the approval process with DNR. The December deadline may not be met.

Agenda Item XI – Public Comments

Carlotta Blake-King stated that the Website looks good and is very comprehensive. Fernando stated that at a previous Board Meeting, Carlotta asked if the Calumet Project's website can have a link on the ECWMD Website. This was explored and the intent is only City, State, and Federal Government agencies that have projects and/or activities related to the Waterway. John Fekete reported the Board has to follow State guidelines.

Agenda Item XII– Next Board Meeting

President Fekete announced that the next ECWMD Board meeting is scheduled for November 20, 2013 at 5:00 p.m. at the City Engineering/Annex Building.

Agenda Item XIII – Adjournment

John Bakota moved to adjourn the meeting and seconded by Henry Rodriguez, all ayes, motion was approved.

These meeting notes for the October 16, 2013, Board Meeting were presented and approved by the ECWMD Board of Directors at the November 20, 2013 Board Meeting.

Ray Lopez
ECWMD, Secretary

