

EAST CHICAGO WATERWAY MANAGEMENT  
DISTRICT BOARD OF DIRECTORS' MEETING  
City of East Chicago, Engineering/Annex Building  
4444 Railroad Ave.  
East Chicago, Indiana  
February 17, 2016  
Wednesday, 5:00 P.M.

Transcript of the proceedings had in the  
above-entitled matter, on the 17th day of  
February, 2016, at 5:00 p.m., at the City of East  
Chicago, Engineering/Annex Building, 4444 Railroad  
Avenue, East Chicago, Indiana, before Dawn M.  
Iseminger, Registered Professional Reporter and  
Notary Public for the County of Porter, State of  
Indiana.

1                   A P P E A R A N C E S:  
2

3           MR. JOHN FEKETE, President

4           MR. KEVIN DOYLE, Vice President

5           MR. HENRY RODRIGUEZ, Secretary

6           MR. RAY LOPEZ, Treasurer/Financial Officer

7           MR. JOHN BAKOTA, Board Member

8           MR. PATRICK RODRIGUEZ, Board Member

9           MR. TED ZAGAR, Board Member

10          MR. FERNANDO TREVINO, FMT Consulting

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

13  
14       Also Present:

15           JIM WESCOTT, Tetra Tech

16           TIM ANDERSON, CliftonLarsonAllen

17           DAVID ALONZO, BMO Harris

18           NATALIE MILLS, USACE  
19  
20  
21  
22  
23  
24  
25

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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 February 17,  
4 2016, and the time is 5:00. So we're in pretty  
5 good shape.

6 Roll call vote. John Bakota?

7 MR. BAKOTA: Here.

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: Here.

14 MR. FEKETE: Kevin Doyle?

15 MR. DOYLE: Here.

16 MR. FEKETE: Ray Lopez?

17 MR. LOPEZ: Present.

18 MR. FEKETE: John Fekete, here. We have a  
19 full board today.

20 The next order of business is the  
21 consulting engineering report, Mr. Trevino.

22 MR. TREVINO: I'd like to start off by going  
23 through the contents of your board packet. You  
24 have the January 20, 2016, board minutes for  
25 approval consideration. You have an e-mail to --

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1 from myself to Beth Admire, and Anne Remek, and  
2 Rick Nagle regarding the 2016 budget. And -- well  
3 2016 budget amendment. Also, a spreadsheet with  
4 the budget amendment dated February 9th, 2016, and  
5 also attached is Attorney Ellen Gregory's 2016  
6 budget, and that has the revision date of February  
7 9, 2016.

8 You have two IDEM letters related to the  
9 2016 budget. One is dated February 3rd, 2016,  
10 approving the original budget, and a subsequent  
11 IDEM letter dated February 10, 2016, approving  
12 the amended budget. You have an EPA  
13 concurrence letter on the 2016 budget, and that  
14 has a signature of February 2nd, 2016. You  
15 have a spreadsheet titled "2016 Trust and  
16 Non-trust Transfer Request Calculation" dated  
17 February 17, 2016. And accompanied with that  
18 is the letter of authorization to First  
19 Merchant's Bank requesting the transfer of  
20 funds. That letter is dated February 17, 2016,  
21 in the amount of \$101,326.92, and a second  
22 letter of authorization to BMO Harris Bank also  
23 dated February 17, 2016, in the amount of --  
24 the transfer request in the amount of  
25 \$276,950.05. And those are affiliated with the

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1 2016 budget.

2 You have a local counsel legal service  
3 agreement between the district and Attorney Jim  
4 Wieser, and that's on the agenda for approval.

5 You have resolution 2016-2 regarding the  
6 Burgoyne appraisal. And you have the Burgoyne  
7 appraisal proposal dated February 12, 2016, and  
8 that is on the agenda for approval  
9 consideration.

10 You have an EnviroForensics's proposal  
11 dated January 19, 2016, along with the  
12 authorization to proceed dated February 15,  
13 2016. And this authorization to proceed  
14 supersedes the one that we sent them dated  
15 January 19, 2016.

16 You have the CliftonLarsonAllen financial  
17 statement for the month of January 2016. You  
18 have the claim docket for approval  
19 consideration dated February 17, 2016. You  
20 have an agreement for filing return 1099 forms  
21 for Board President Fekete's signature. You  
22 have First Merchant's financial bank statements  
23 for account ending in 608 and 616 for the month  
24 of February -- or, I'm sorry, for the month of  
25 January 2016.

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1           You have the BMO Harris ECI Facility Trust  
2 report dated February 16, 2016. And you have  
3 two BMO Harris bank statements for account  
4 ending in 761. And one is for the month of  
5 December 2015 and the other is for the month of  
6 January 2016.

7           You have a brokerage account statement  
8 from BMO Harris in account ending 534, and one  
9 is for the month of December 2015 and the other  
10 is for the month of January 2016.

11           You have a United States Department of  
12 Commerce letter regarding a US Census Bureau  
13 survey that they're doing; so look into that  
14 further. And you have a 1099-INT Form from  
15 First Merchant's bank for interest earned in  
16 our accounts, and I'll be forwarding that to  
17 our accountant, Tim Anderson.

18           You have Tetra Tech's monthly progress  
19 report dated February 4, 2016. You have a  
20 Tetra Tech proposal for additional work dated  
21 February 8, 2016. And the proposal is -- right  
22 now, FYI, my plan is to review this with EPA,  
23 and then have a recommendation for the board at  
24 the next board meeting.

25           You have an ARCADIS report dated

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1 February 10, 2016, regarding monthly bird  
2 observation monitoring report Number 5.

3 You have a monthly progress report from  
4 Atlantic Richfield Company dated February 10,  
5 2016. You have a letter from an Indiana  
6 retirement system dated January 6, 2016. You  
7 have a letter from myself to Kim Sagel and  
8 Natalie Mills of the Army Corps of Engineers  
9 dated January 29th, 2016, regarding the CDF  
10 Construction and O&M cost documentation and  
11 data.

12 You have the Army Corps of Engineers  
13 monthly progress to the board dated  
14 February 17, 2016.

15 And last but not least, you have Attorney  
16 Ellen Gregory's report with the revision date  
17 of February 15, 2016.

18 Just to go over a couple items. Attorney  
19 Ellen Gregory and I have a meeting next week  
20 with our insurance representative to discuss a  
21 few insurance options and, hopefully, we'll  
22 have something for the board at the next board  
23 meeting.

24 A few months ago the board approved a  
25 resolution to terminate our account with PERF.

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1 Since then we've -- we were informed that  
2 terminating the account would have a monetary  
3 cost; so we're probably going to recommend that  
4 we not terminate our relationship with PERF.  
5 And so we'll have that recommendation at the  
6 next board meeting, which will include a  
7 resolution.

8 Board President John Fekete and I met with  
9 IDEM and EPA to review the 2016 budget and  
10 trust spending. From that meeting, IDEM and  
11 EPA recommended that all vendors be contracted  
12 directly with the district, and it's our intent  
13 to accept the recommendation. So in order to  
14 abide by the recommendation, we have a few  
15 items on today's agenda, which includes  
16 amending the 2016 budget, amending one standing  
17 resolution and three contracts. And as I  
18 mentioned, those are all part of the board  
19 agenda for board approval.

20 Also on today's agenda is board approval  
21 of the trust and non-trust transfers affiliated  
22 with the 2016 budget. One is to be signed by  
23 Board President Fekete, and the other is to be  
24 signed by our treasurer, Mr. Ray Lopez.

25 The CliftonLarsonAllen monthly financial



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1 statements are on today's agenda, and the  
2 affiliate claim docket for board approval.

3 User fees: We're working to resolve some  
4 software glitches regarding the prior year user  
5 fees and we hope to send out that package by  
6 the end of next week.

7 The Great Lakes Legacy Act project: Tetra  
8 Tech continues to work towards finalizing the  
9 remediation design. I'm working to finalize  
10 the local share cost report for the EPA.

11 We're also working for a remediation  
12 design fact sheet. The project team has been  
13 working on funding options for the remediation  
14 phase of the project. EPA is evaluating  
15 internally whether the City of East Chicago  
16 combined sewer overflow project would qualify  
17 for local share. So we're hoping that is the  
18 case.

19 Tetra Tech's progress report, as I  
20 mentioned, is in your board packet for  
21 additional information.

22 Also in your packet is a proposal that I  
23 mentioned dated February 8, 2016, from Tetra  
24 Tech for additional tasks that are necessary to  
25 get us from design to remediation. The

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1 proposal scope and cost is beyond the current  
2 approved contract. I plan to review that scope  
3 and cost with EPA and get their concurrence.  
4 And if everything progresses forward, I plan to  
5 have a recommendation at the March board  
6 meeting on the proposal.

7 And also, if we move forward on that, we'd  
8 also require a 2016 budget amendment, because  
9 that's not part of the current budget.

10 Jim Wescott of Tetra Tech will provide  
11 more detail on the project update.

12 Project manager, Natalie Mills of the Army  
13 Corps, will give an update on the dredging  
14 project. And Attorney Ellen Gregory will give  
15 an update on various legal matters.

16 That concludes my report.

17 MR. FEKETE: Any questions for Mr. Trevino?

18 (No response.)

19 MR. FEKETE: Thank you very much. As you  
20 heard, we have a number of items that we have to  
21 take action upon based on the meeting that we had;  
22 so the first order of business is to approve our  
23 board meeting notes for our last meeting, which  
24 was January 20, 2016. I will entertain a motion  
25 to approve.

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1 MR. BAKOTA: Motion to approve.

2 MR. FEKETE: Do we have a second?

3 MR. ZAGAR: Second.

4 MR. FEKETE: Any questions?

5 (No response.)

6 MR. FEKETE: All in favor signify by saying  
7 aye.

8 (All signify aye.)

9 MR. FEKETE: Any opposition? Abstentions?

10 (No response.)

11 MR. FEKETE: Hearing none, the motion is  
12 approved.

13 The next order of business is the approval  
14 consideration of the 2016 budget amendment. As  
15 was explained by Mr. Trevino, as a result of  
16 the meeting we had with the state a little over  
17 a week ago, basically it's the same dollar  
18 amount, it's just a matter of highlighting  
19 certain items specifically within the budget.

20 MR. LOPEZ: Motion to accept.

21 MR. FEKETE: I have a motion. Do I have a  
22 second?

23 MR. PATRICK RODRIGUEZ: Second.

24 MR. FEKETE: We have a second. Are there any  
25 questions?

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1 (No response.)

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 MR. ZAGAR: Yes.

11 MR. FEKETE: Kevin Doyle?

12 MR. DOYLE: Yes.

13 MR. FEKETE: Ray Lopez?

14 MR. LOPEZ: Yes.

15 MR. FEKETE: John Fekete, I vote yes.

16 The next order of business are the  
17 transfer of budget moneys from our two separate  
18 accounts, and we'll take them one at a time, I  
19 think. That's what we've done in the past.

20 The first motion would be to transfer  
21 money from our trust account for those items  
22 that pertain to the trust, and that is the BMO  
23 account; so I'll entertain a motion in that  
24 regard. If you'll recall, the amount was for  
25 2,000 -- \$276,000 -- let me start over.

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1           \$276,950.05.

2           MR. LOPEZ: Motion to accept.

3           MR. BAKOTA: Second.

4           MR. FEKETE: Okay. Any questions?

5                           (No response.)

6           MR. FEKETE: Roll call. John Bakota?

7           MR. BAKOTA: Yes.

8           MR. FEKETE: Henry Rodriguez?

9           MR. HENRY RODRIGUEZ: Yes.

10          MR. FEKETE: Patrick Rodriguez?

11          MR. PATRICK RODRIGUEZ: Yes.

12          MR. FEKETE: Ted Zagar?

13          MR. ZAGAR: Yes.

14          MR. FEKETE: Kevin Doyle?

15          MR. DOYLE: Yes.

16          MR. FEKETE: Ray Lopez?

17          MR. LOPEZ: Yes.

18          MR. FEKETE: John Fekete, I vote yes.

19                   The next item are the transfer from the  
20                   First Merchant's non-trust account, in the  
21                   amount of \$101,326.92. Do I have a motion?

22          MR. BAKOTA: So moved.

23          MR. FEKETE: We have a motion. Do I have a  
24                   second?

25          MR. DOYLE: Second.

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1 MR. FEKETE: We have a second. We'll have a  
2 roll call vote. John Bakota?

3 MR. BAKOTA: Yes.

4 MR. FEKETE: Henry Rodriguez?

5 MR. HENRY RODRIGUEZ: Yes.

6 MR. FEKETE: Patrick Rodriguez?

7 MR. PATRICK RODRIGUEZ: Yes.

8 MR. FEKETE: Ted Zagar?

9 MR. ZAGAR: Yes.

10 MR. FEKETE: Kevin Doyle?

11 MR. DOYLE: Yes.

12 MR. FEKETE: Ray Lopez?

13 MR. LOPEZ: Yes.

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

15 The next order of business -- or the next  
16 several items all pertain to us contracting  
17 directly with services that we had discussed in  
18 the past. The first order of business is to  
19 approve a consideration for engaging Wieser &  
20 Wiley Legal Services. And this is basically to  
21 deal with property transfers?

22 MS. GREGORY: Property transfers and  
23 basically any real estate transactions.

24 MR. FEKETE: Any real estate transactions,  
25 okay. Do I have a motion to accept?

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1 MR. BAKOTA: Motion to accept.

2 MR. FEKETE: Do I have a second?

3 MR. HENRY RODRIGUEZ: Second.

4 MR. FEKETE: Any questions?

5 (No response.)

6 MR. FEKETE: Okay, we'll have a roll call  
7 vote.

8 John Bakota?

9 MR. BAKOTA: Yes.

10 MR. FEKETE: Henry Rodriguez?

11 MR. HENRY RODRIGUEZ: Yes.

12 MR. FEKETE: Patrick Rodriguez?

13 MR. PATRICK RODRIGUEZ: Yes.

14 MR. FEKETE: Ted Zagar?

15 MR. ZAGAR: Yes.

16 MR. FEKETE: Kevin Doyle?

17 MR. DOYLE: Yes.

18 MR. FEKETE: Ray Lopez?

19 MR. LOPEZ: Yes.

20 MR. FEKETE: John Fekete, I vote yes.

21 The next order of business has to do with  
22 the Burgoyne Appraisal Company. We had passed  
23 a resolution to deal with this matter in the  
24 past; so we basically have to redo the  
25 resolution so that we are going to deal

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1 directly with the Burgoyne Appraisal Company  
2 rather than deal with it through Ellen Gregory.  
3 So the resolution is dated -- it was numbered  
4 2016-02.

5 Do I have a motion to accept this  
6 resolution?

7 MR. LOPEZ: Motion to accept.

8 MR. FEKETE: Do I have a second?

9 MR. HENRY RODRIGUEZ: Second.

10 MR. FEKETE: Any questions?

11 (No response.)

12 MR. FEKETE: Hearing none, we'll have a roll  
13 call vote.

14 John Bakota?

15 MR. BAKOTA: Yes.

16 MR. FEKETE: Henry Rodriguez?

17 MR. RODRIGUEZ: Yes.

18 MR. FEKETE: Patrick Rodriguez?

19 MR. PATRICK RODRIGUEZ: Yes.

20 MR. FEKETE: Ted Zagar?

21 MR. ZAGAR: Yes.

22 MR. FEKETE: Kevin Doyle?

23 MR. DOYLE: Yes.

24 MR. FEKETE: Ray Lopez?

25 MR. LOPEZ: Yes.



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1 MR. FEKETE: John Fekete, I vote yes. Okay,  
2 that resolution has been approved.

3 Now we need to approve the engagement  
4 letter with the Burgoyne Appraisal Company.  
5 I'll have a motion to accept.

6 MR. DOYLE: Motion to accept.

7 MR. FEKETE: We have a motion to accept.

8 MR. BAKOTA: Second.

9 MR. FEKETE: And a second. Any questions?

10 (No response.)

11 MR. FEKETE: We'll have a roll call. John  
12 Bakota?

13 MR. BAKOTA: Yes.

14 MR. FEKETE: Henry Rodriguez?

15 MR. RODRIGUEZ: Yes.

16 MR. FEKETE: Patrick Rodriguez?

17 MR. PATRICK RODRIGUEZ: Yes.

18 MR. FEKETE: Ted Zagar?

19 MR. ZAGAR: Yes.

20 MR. FEKETE: Kevin Doyle?

21 MR. DOYLE: Yes.

22 MR. FEKETE: Ray Lopez?

23 MR. LOPEZ: Yes.

24 MR. FEKETE: John Fekete, I vote yes.

25 And the final engagement agreement to

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1 approve is the one with EnviroForensics, and  
2 this is based on their proposal dated  
3 January 19, 2016, for CDF cost analysis. I  
4 entertain a motion to accept.

5 MR. HENRY RODRIGUEZ: Motion to accept.

6 MR. FEKETE: I have a motion to accept.

7 MR. LOPEZ: Second.

8 MR. FEKETE: And we have a second. Any  
9 questions?

10 (No response.)

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

12 MR. BAKOTA: Yes.

13 MR. FEKETE: Henry Rodriguez?

14 MR. RODRIGUEZ: Yes.

15 MR. FEKETE: Patrick Rodriguez?

16 MR. PATRICK RODRIGUEZ: Sure.

17 MR. FEKETE: Ted Zagar?

18 MR. ZAGAR: Yes.

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 The next order of business is the  
25 accounting consultant report.

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1 MR. ANDERSON: John, do you need a rest? You  
2 sound a little like an auctioneer there.

3 Tim Anderson with CliftonLarsonAllen. You  
4 have our report in your board packet, and this is  
5 as of January 31st of '16. Page 2 is the first  
6 page with numbers on it, and you can see that in  
7 January all we really did was collect the interest  
8 on the cash accounts. The cash disbursements in  
9 January are all the December accounts payable; so  
10 these were bills that lapped over the end of the  
11 year. \$99,920 was paid on the December accounts  
12 payable; so we basically decreased our cash  
13 accounts by \$99,575. So the cash balances that's  
14 the operating account and the user fee accounts at  
15 the beginning of January were 2,058,000, and at  
16 the end of January were 1,959,000.

17 Page 3 shows the break out of the two  
18 accounts. And the operating account at the end  
19 of January is really the unused budget from  
20 last year; and so what we -- what you guys  
21 passed today was the trust transfer and the  
22 non-trust -- the user fee transfer, which those  
23 accounts, when added to that operating account  
24 from last year, that's going to give us the  
25 cash that we need to do the budget that was

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1 passed for this year. So there's \$201,000 in  
2 the operating account at the end of January and  
3 a million 7 in the user fee account.

4 The last page, Page 4, is the -- it shows  
5 the budget appropriation for '16, which was  
6 passed. And we broke out the -- with the  
7 new -- with the new items that they wanted you  
8 to bust out separately from legal has all been  
9 adjusted on this sheet and in the software for  
10 the board of accounts. You get to take your  
11 budget and add your payables to it to come up  
12 with the total appropriation for '16, which is  
13 679,000. And we -- again, we dispersed 99 in  
14 January. And then you've got the cash  
15 disbursements for February in your packet.

16 That's the accounts payable voucher that you  
17 have for today for \$41,000. And then the very  
18 right most column shows our unused budget after  
19 we've dispersed those funds for February. At  
20 the end of February we have 538,000 left on our  
21 budget.

22 Do you guys have any questions at all on  
23 the financials? We filed 1099s. Anybody who  
24 provides services to the board, we file 1099s.  
25 There's several: Us, Fernando, Ellen, and some

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1 others. We sent those all out and we file them  
2 electronically. That's what that authorization  
3 form is in your packet, is to file those forms  
4 electronically. And so we're all -- we're in  
5 compliance with every -- every entity, we'll  
6 file a trust return for the trust by  
7 April 15th, and we'll be in compliance with all  
8 the government entities. That's all I got.

9 MR. FEKETE: Any questions?

10 (No response.)

11 MR. FEKETE: Thank you very much.

12 MR. LOPEZ: Thank you.

13 MR. FEKETE: The next order of business is  
14 the approval consideration for the accounts  
15 payable voucher register dated February 17, 2016.

16 MR. HENRY RODRIGUEZ: Motion to approve.

17 MR. FEKETE: We have a motion to approve. Do  
18 I hear a second?

19 MR. BAKOTA: Second.

20 MR. FEKETE: We have a second. Any  
21 questions?

22 (No response.)

23 MR. FEKETE: We'll have a roll call vote.  
24 John Bakota?

25 MR. BAKOTA: Yes.

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1 MR. FEKETE: Henry Rodriguez?

2 MR. RODRIGUEZ: Yes.

3 MR. FEKETE: Patrick Rodriguez?

4 MR. PATRICK RODRIGUEZ: Yes.

5 MR. FEKETE: Ted Zagar?

6 MR. ZAGAR: Yeah.

7 MR. FEKETE: Kevin Doyle?

8 MR. DOYLE: (No response.)

9 MR. FEKETE: Oh, he stepped out. Ray Lopez?

10 MR. LOPEZ: Yes.

11 MR. FEKETE: John Fekete, I vote yes. Motion  
12 is approved.

13 BMO Harris Bank trust, Mr. Alonzo.

14 MR. ALONZO: David Alonzo, BMO Harris. So  
15 I'm going to run through our report here. Of  
16 course the first page always goes through the  
17 historical numbers from '97 up until now.

18 Page 2, the current value of the trust as  
19 of February 16th was \$5,803,593. That was a  
20 positive gain of \$15,092 from our last meeting.  
21 Of course no disbursements yet but it looks  
22 like those are coming up here soon for the  
23 year.

24 Going to Page 3. This just shows, on the  
25 green column, where the interest was paid on

1 some of these accounts. Really all the CDs had  
2 kicked out interest last month. The only error  
3 on this report was in the far right-hand  
4 column. The next interest credit date, I  
5 forgot to update that prior to me sending it to  
6 Fernando. Those CDs should kick out interest  
7 in April; so that will be reported in the May  
8 report, because it is every three months.  
9 Really, we've got one CD coming due here at the  
10 end of October. But beyond that, we're pretty  
11 much locked in on most of the accounts.

12 Any questions at all on rates or the trust  
13 account?

14 (No response.)

15 MR. ZAGAR: Good.

16 MR. FEKETE: Thank you. Great Lakes Legacy  
17 Act project update, Mr. Wescott.

18 MR. WESCOTT: Jim Wescott, Tetra Tech. Hi,  
19 guys.

20 So the design is essentially done.  
21 Fernando -- everything is pretty much loaded on  
22 the website, and then I'll provide a CD to  
23 Fernando. I meant to bring one tonight but we  
24 still have -- the only thing remaining is we  
25 need to file three permit applications. Two

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1 will probably go in tomorrow, and the other one  
2 might be Friday or Monday. I'm waiting on a  
3 check. So there will be four major permits.  
4 One has already been applied for. And those  
5 should all be based on the routine review  
6 cycle. Should be ready by the fall, which  
7 is -- if things come together financially  
8 should dovetail with having EPA go forward with  
9 the procurement for the construction  
10 contractor. So all the drawings and the  
11 specifications and permit applications and  
12 draft access agreements are all in place. And  
13 the design covers all the areas that we've  
14 discussed in the public meetings: On the Grand  
15 Calumet, the Indiana Harbor Canal, and all of  
16 the Lake George Canal that are outside the  
17 navigation channel.

18 As we've talked in the past, the concept  
19 at least for the next couple years is only do a  
20 portion of that because of financing, but at  
21 least the rest will have a design done; so  
22 it'll be easier from a board perspective to  
23 kind of know where you're going, and then it  
24 will be easy to implement as long as the money  
25 tracks behind it.



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1 Are there any questions?

2 MR. BAKOTA: Yeah. Do the permits have time  
3 limits on them?

4 MR. WESCOTT: They typically do. Two to five  
5 years. So there shouldn't be any issue -- like,  
6 the shortest one will be the MPDS discharge  
7 permit, and that's a one-year permit. And that is  
8 supposed to start in June of 2017, which should  
9 give the contractor plenty of time to dredge and  
10 get rid of the material by May 31, 2018. Because  
11 he should -- if everything works out from a  
12 schedule standpoint, the dredging should start  
13 June 1st, thereabouts. And they should be done by  
14 Thanksgiving of 2017 with the dredging that's  
15 planned. And then the material will be loaded to  
16 a landfill, and the MPDS discharge permit will  
17 still be used as rain falls on the material and it  
18 goes into a -- through the water treatment system.  
19 So the MPDS is a one-year permit, and then the  
20 others are longer. So the permits should all --  
21 there shouldn't be an issue as long as the money  
22 and the scheduled work permits won't hurt -- it  
23 shouldn't affect anything. And since we don't --  
24 the construction won't really start until the  
25 spring of 2017. They should be in place by the

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1 fall of 2016, but we've got some leeway if for  
2 some reason there's -- the review cycle takes  
3 longer. On the last projects, we didn't get the  
4 permits until the contractor was already selected;  
5 so it's not unusual to have that happen.

6 MR. BAKOTA: Yeah.

7 MR. WESCOTT: But the plan this time is to  
8 have everything in place so that when EPA goes out  
9 to bid, the contractors know exactly what they're  
10 walking into. And the same teams have essentially  
11 bid before; so my expectation is they kind of all  
12 know what they're getting into.

13 MR. BAKOTA: Thank you.

14 MR. WESCOTT: Any questions on the current  
15 design?

16 (No response.)

17 MR. FEKETE: No.

18 MR. WESCOTT: No? And then on the proposal,  
19 just to go through it quickly, that basically  
20 takes from the end of design all the way through  
21 the procurement process with EPA, because the  
22 current scope of work basically ended at the  
23 design. And it's a much smaller amount just to  
24 kind of -- and it's broken into some more finite  
25 tasks but still some flexibility. Some of the

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1 major areas is -- one of the tasks is to help EPA  
2 with the procurement process, because we'll have  
3 to -- depending on the amount of money available,  
4 we'll have to revise the cost estimate, as an  
5 example, because we're doing less work. So some  
6 of the costs actually will be a little bit more  
7 expensive on a unit rate standpoint, and then  
8 we'll help them do the -- put their procurement  
9 package together and help with the reviews; so  
10 that's one task. Another thing that is in that  
11 proposal is to do a little bit more on the high  
12 PCB area in the Indiana Harbor Canal, because  
13 right now EPA -- the Glenpo people are talking to  
14 the people that handle the high PCB material stuff  
15 internally; so there may be some additional  
16 requirements that come out of those discussions  
17 that we have to incorporate into the drawings or  
18 the specifications that we didn't anticipate. And  
19 then there's a task to help kind of continue to  
20 meet with the other non-federal partners or  
21 perspective non-federal partners, the East Chicago  
22 Sanitary District -- other entities that we'll  
23 probably continue to need to have meetings with.  
24 And I'll talk to Fernando between now and the next  
25 meeting, if he's got any questions about the

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1 proposal.

2 MR. LOPEZ: So this can go up or down?

3 MR. WESCOTT: I would hope it doesn't go up.  
4 And so that's a good question. I've made as good  
5 a guess as I think what it would cost. If  
6 anything, it will go down, because I won't have as  
7 many meetings. And if for some reason, it -- you  
8 know, in the fall, depending on, let's say, who  
9 gets elected, suddenly there's no money anymore,  
10 then the project ends, and so some of that money  
11 in that proposal won't be spent because the  
12 project suddenly doesn't happen.

13 MR. LOPEZ: You stick with Fernando on that.

14 MR. WESCOTT: Right. So the plan is to spend  
15 no more than that amount that's in the additional  
16 proposal. And that should get you up all the way  
17 through the end of this calendar year; so at that  
18 point, the construction contractor is already  
19 selected. And at that point, we're ready to move  
20 into the field and start construction.

21 MR. LOPEZ: Thank you.

22 MR. WESCOTT: Anything else?

23 MR. FEKETE: Any questions?

24 (No response.)

25 MR. WESCOTT: Thank you very much.

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1 MR. FEKETE: US Army Corps report. Natalie  
2 Mills.

3 MS. MILLS: Good evening.

4 MR. FEKETE: You don't have your helper  
5 today?

6 MS. MILLS: No. Natalie Mills, US Army Corps  
7 of Engineers. Kokosing and O'Brien & Gere  
8 contract, they're shut down right now. They'll  
9 return in the spring of 2016 for water treatment.  
10 The dredging is scheduled -- the dredge schedule  
11 is dependent on the removal of the water from the  
12 CDF. Right now we're tracking that they will  
13 initiate dredging in August of 2016. Certainly,  
14 if they can move water earlier or faster than we  
15 anticipate, they'll attempt to move -- they'll  
16 begin dredging earlier. But right now, based on  
17 the water levels at the site right now, we can't  
18 receive dredge material until at least August.

19 As far as the permanent well installation  
20 contract, they're still doing their final  
21 submittals. There's no more site work for  
22 them; so they're doing as-built drawings and  
23 finishing up with the documentation.

24 The equipment storage facility contract,  
25 they're still scheduled to start in the spring.

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1 I've heard March; I've heard April; so some  
2 time into that time frame. And that contract  
3 is scheduled to be complete by August of this  
4 year.

5 CDF documentation, I think I reported  
6 before that we received a response to our draft  
7 TSCA permit conditions from US EPA and IDEM on  
8 the 13th of January. We met internally on the  
9 2nd of February to discuss the comments. Right  
10 now, we're preparing a letter in response to  
11 the draft conditions that were provided to us.  
12 So certainly you all will receive a copy of the  
13 letter once it's finalized.

14 Oil boom coordination, I don't have any  
15 update for that at this time.

16 The PCA revisions, we've been working hard  
17 trying to schedule a date. Right now I think  
18 it's Wednesday -- is that the 24th?

19 MS. GREGORY: Uh-huh.

20 MS. MILLS: Tentatively, I'll say, is the  
21 next meeting.

22 The new contracts, we have the new  
23 dredging contract that we're evaluating right  
24 now for FY16 to 21. We received the proposals  
25 the 25th of January, and we're doing an

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1 evaluation of the proposals now, and so we're  
2 still on track for an award on or around the  
3 first of April.

4 Lastly, I've put the annual dredging  
5 public meeting in June of 2016. We don't have  
6 a date established yet. We're working with the  
7 contractor to see when we might want to have  
8 that meeting. Usually, we have it a little  
9 earlier because we start dredging earlier. But  
10 since we're starting dredging in August, we  
11 didn't want to have the meeting, say, in March  
12 and we're not going to start dredging until  
13 August. So we're having it later this time.  
14 That's all I have right now.

15 MR. BAKOTA: Didn't we -- in the past didn't  
16 we start dredging earlier in the season?

17 MS. MILLS: Yeah. We started May, is when we  
18 typically started. But, again, with the water  
19 levels being what they are, we just can't take any  
20 more dredge material and water at this time.

21 MR. BAKOTA: They have enough time to  
22 complete their allotment of the cubic --

23 MS. MILLS: Uh-huh. Yeah. They're looking  
24 for more. Yes.

25 MR. HENRY RODRIGUEZ: The water levels in the

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1 CDF is what you're concerned about?

2 MS. MILLS: Right. So you know how we're  
3 doing the dredging; we dredge and then we put the  
4 material in the barge and then we slurry it. So  
5 we mix it with water and we put it into the  
6 facility. So right now with the water that's just  
7 there from all the dredging -- there's 900 cubic  
8 yards of dredge material. So all the water  
9 associated with that is still there.

10 MR. BAKOTA: Also, the rain and snow that  
11 we've had during that period.

12 MS. MILLS: Exactly. Correct. Certainly,  
13 there was some evaporation but there's still a lot  
14 of water.

15 MR. BAKOTA: More rain than evaporation.

16 MS. MILLS: Exactly.

17 MR. BAKOTA: Thank you.

18 MR. FEKETE: Any other questions?

19 (No response.)

20 MR. FEKETE: Thank you. Ellen Gregory  
21 report.

22 MS. GREGORY: Ellen Gregory with Ellen  
23 Gregory Law. I just have a few items.

24 The consent decree, we continue to have  
25 biweekly calls with the group. Not much



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1 progress on the consent decree; although, the  
2 work for the AOC south and west tank farm  
3 fieldwork has been completed, and BP's  
4 contractor is basically just reviewing data and  
5 putting together reports, which are supposed to  
6 be finalized within the next 60 days.

7 The Feddeler appraisal: The revised  
8 appraisal is supposed to be completed within  
9 the next couple of weeks. We expect that from  
10 David Burgoyne before the next board meeting.  
11 Fernando and I have a call with the Army Corps  
12 lawyer on Friday to discuss the transfer of the  
13 BP interest in the Feddeler parcel, and then we  
14 will proceed with the appraisal and, hopefully,  
15 discussing with the Corps approaching Feddeler  
16 with resolving his claim.

17 And as Natalie mentioned on the PCA call,  
18 we've been trying to schedule calls. The last  
19 few we've had to reschedule for various  
20 reasons. The next call is scheduled for next  
21 Wednesday on February 24th. And that's all I  
22 have.

23 MR. FEKETE: Any questions?

24 (No response.)

25 MR. FEKETE: Thank you very much. Any new

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1 business to come before the board?

2 (No response.)

3 MR. FEKETE: Any other business?

4 (No response.)

5 MR. FEKETE: Any public comments?

6 (No response.)

7 MR. FEKETE: Our next board meeting will be  
8 March 16, 2016, at 5:00 in this same facility.

9 I'll entertain a motion for adjournment.

10 MR. BAKOTA: Motion to adjourn.

11 MR. FEKETE: Do I have a second?

12 MR. LOPEZ: Second.

13 MR. FEKETE: All in favor signify by saying  
14 aye.

15 (All signify aye.)

16 WHEREUPON THE MEETING WAS ADJOURNED.

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C E R T I F I C A T E

I, Dawn M. Iseminger, Registered Professional Reporter (RPR), 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 17th day of February, 2016, 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 13th day of March, 2016.

*Dawn M. Iseminger*

Dawn M. Iseminger, RPR

My Commission expires: 7/22/2017

