

1 EAST CHICAGO WATERWAY MANAGEMENT  
2 DISTRICT BOARD OF DIRECTORS' MEETING  
3 City of East Chicago, Engineering/Annex Building  
4 4444 Railroad Avenue  
5 East Chicago, Indiana  
6 January 18, 2017  
7 Wednesday, 5:00 p.m.

8  
9 Transcript of the proceedings had in the  
10 above-entitled matter, on the 18th day of  
11 January, 2017, at 5:00 p.m., at the City of East  
12 Chicago, Engineering/Annex Building, 4444 Railroad  
13 Avenue, East Chicago, Indiana, before Peggy S.  
14 LaLonde, Certified Shorthand Report and Notary  
15 Public for the County of LaPorte, State of  
16 Indiana.

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21 ISEMINGER & ASSOCIATES, INC.  
22 14 Indiana Avenue  
23 Valparaiso, Indiana 46383  
24 (219) 464-2178  
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A P P E A R A N C E S:

- MR. JOHN FEKETE, President
- MR. JOHN BAKOTA, Board Member
- MR. HENRY RODRIGUEZ, Board Member
- MR. KEVIN DOYLE, Board Member
- MR. RAY LOPEZ, Board Member
- MR. FERNANDO TREVINO, FMT Consulting
- MS. ELLEN GREGORY, Ellen Gregory Law

ALSO PRESENT:

- TIM ANDERSON, CliftonLarsonAllen
- JIM WESCOTT, Tetra Tech
- NATALIE MILLS, U.S. Army Corps of Engineers

\* \* \* \*

1

MR. FEKETE: I'd like to call to order  
2 The meeting of the East Chicago Waterway Management  
3 District Board of Directors. Today's date is January  
4 18th, 2017, at 5:05 p.m. Not a bad start. First order  
5 of business is roll call. John Bakota?

6

MR. BAKOTA: Here.

7

MR. FEKETE: Henry Rodriguez?

8

MR. HENRY RODRIGUEZ: Here.

9

MR. FEKETE: Patrick Rodriguez?

10

(No Response)

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. First order of business is the FMT

19

Consulting Engineering, Fernando Trevino.

20

MR. TREVINO: Fernando Trevino, FMT

21

Consulting. I'd like to start off by going over the

22

contents of your Board packet.

23

You have the Board minutes for

24

December 21st, 2016. You have a couple spread

25

sheets, this summarizes my hours and budget for

1 2016.

2 You have the claims docket for  
3 tonight's meeting dated January 18, 2017.

4 You have First Merchant Bank  
5 reports, bank statements for the month of  
6 December 2016 for accounts ending in 608 and 616.

7 You have a modification of  
8 professional service contract for Tetra Tech and the  
9 affiliated proposal dated, January 13, 2017.

10 You have the ECI Facility Trust  
11 report dated January 17, 2017 from BMO Harris. You  
12 have BMO Harris bank statement for account ending in  
13 761 for the month of December 2016.

14 You have Tetra Tech's progress  
15 report for the month of December 2016. You have  
16 attorney -- I'm sorry -- the Army Corps of Engineers  
17 report to the Board dated January 18, 2017.

18 Attorney Ellen Gregory's report  
19 to the Board, with revision date of January 17,  
20 2017.

21 And you have a progress report  
22 for the month of September 2016 and progress report  
23 number 300. And it summarizes the recovery and  
24 containment system operation and boom maintenance.  
25 That concludes the content of the Board packet.

1 I will give the Board an update  
2 on a couple items. So we have received the TSCA  
3 permit application and we have submitted comments on  
4 behalf of the District.

5 You have the budget financial  
6 for the month of December 2016. We are expecting to  
7 have the cash balance for Board review for the end  
8 of the year 2016 at the next Board meeting. At the  
9 last Board meeting, the Board approved a couple  
10 budget amendments. One was the 500,000 from the  
11 Trust. I have checked with EPA and they are moving  
12 the Trust approval process along and running it up  
13 the flag pole. And Ellen and I are still working on  
14 resolving cost share issues and Rodney Humphrey is  
15 preparing a couple reports in support of that.

16 Great Lakes Legacy Act Project.

17 At the last meeting the Board approved a couple  
18 resolutions in support of the project, so we are  
19 moving forward with that. We have submitted a  
20 project proposal to EPA and it was in draft form for  
21 them to take a quick look at it to see if they had  
22 any suggestion or comments. They had a couple, so  
23 we are in the process of incorporating those and we  
24 are anticipating submitting a final proposal to the  
25 EPA by the end of this month.

1                   At the last Board meeting the  
2 Board also approved a budget amendment for the Great  
3 Lakes Legacy Act, Tetra Tech work and as I  
4 mentioned, there is in your packet a contract  
5 amendment to support that work. So we have approved  
6 the budget line item, so now we are approving the  
7 contract to allow the work to go forward. We are  
8 also, BP has asked the District to be the project  
9 manager on the sheet mill wall design and  
10 construction. So Attorney Ellen Gregory and I will  
11 be working with BP on the agreements affiliated with  
12 that work.

13                   Mr. Jim Wescott is here to  
14 provide an update on the project, so he can provide  
15 additional details and answer any questions the  
16 Board might have. And that concludes my report.  
17 Any questions?

18                   (No Response)

19                   MR. FEKETE: Thank you very much. Next  
20 order of business is the election of officers, this  
21 being January. Do I have a nomination for  
22 president?

23                   MR. LOPEZ: I nominate you, Mr. Chairman.

24                   MR. FEKETE: Do I have a second?

25                   MR. BAKOTA: Second.

1 MR. FEKETE: Okay, we'll have a roll call  
2 vote. John Bakota?  
3 MR. BAKOTA: Yes.  
4 MR. FEKETE: Henry Rodriguez?  
5 MR. HENRY RODRIGUEZ: Yes.  
6 MR. FEKETE: Patrick Rodriguez?  
7 (No Response)  
8 MR. FEKETE: Ted Zagar?  
9 (No Response)  
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 motion is approved. Thank you very much.  
16 Nominations for vice-president?  
17 MR. HENRY RODRIGUEZ: I nominate Kevin  
18 Doyle.  
19 MR. FEKETE: Is there a second? I'll  
20 second that. Okay, roll call vote. John Bakota?  
21 MR. BAKOTA: Yes.  
22 MR. FEKETE: Henry Rodriguez?  
23 MR. HENRY RODRIGUEZ: Yes.  
24 MR. FEKETE: Patrick Rodriguez?  
25 (No Response)

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MR. FEKETE: Ted Zagar?

(No Response)

MR. FEKETE: Kevin Doyle?

MR. DOYLE: Yes.

MR. FEKETE: Ray Lopez?

MR. LOPEZ: Yes.

MR. FEKETE: John Fekete? I vote yes.

Nomination for secretary.

MR. BAKOTA: I nominate Henry Rodriguez.

MR. LOPEZ: I second that.

THE COURT: We have a second. Okay, roll  
call. John Bakota?

MR. BAKOTA: Yes.

MR. FEKETE: Henry Rodriguez?

MR. HENRY RODRIGUEZ: Yes.

MR. FEKETE: Patrick Rodriguez?

(No Response)

MR. FEKETE: Ted Zagar?

(No Response)

MR. FEKETE: Kevin Doyle?

MR. DOYLE: Yes.

MR. FEKETE: Ray Lopez?

MR. LOPEZ: Yes.

MR. FEKETE: John Fekete? I vote yes.

Treasurer and Fiscal Officer nomination? I nominate



1 Ray Lopez.

2 MR. BAKOTA: Second.

3 MR. FEKETE: I have a second. Roll call  
4 vote. John Bakota?

5 MR. BAKOTA: Yes.

6 MR. FEKETE: Henry Rodriguez?

7 MR. HENRY RODRIGUEZ: Yes.

8 MR. FEKETE: Patrick Rodriguez?

9 (No Response)

10 MR. FEKETE: Ted Zagar?

11 (No Response)

12 MR. FEKETE: Kevin Doyle?

13 MR. DOYLE: Yes.

14 MR. FEKETE: Ray Lopez?

15 MR. LOPEZ: Yes.

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

17 Next order of business is the  
18 appointment of Finance Committee members and chair  
19 person. I recommend as appointments that the  
20 president and vice-president and the treasurer and  
21 fiscal officer be appointed to the Finance  
22 Committee. All parties have been addressed and they  
23 have agreed to serve on this. So I will entertain a  
24 motion to accept my recommendation?

25 MR. HENRY RODRIGUEZ: I make a motion to

1 approve the recommendation.

2 MR. LOPEZ: Second.

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

4 MR. BAKOTA: Yes.

5 MR. FEKETE: Henry Rodriguez?

6 MR. HENRY RODRIGUEZ: Yes.

7 MR. FEKETE: Patrick Rodriguez?

8 (No Response)

9 MR. FEKETE: Ted Zagar?

10 (No Response)

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 motion is approved.

17 MR. TREVINO: And just to clarify, you  
18 are serving as the chairperson.

19 MR. FEKETE: I would be the chairperson,  
20 yes. Okay. Approval consideration of the Board  
21 meeting notes for December 21, 2016.

22 MR. BAKOTA: Motion to accept.

23 MR. FEKETE: I have a motion. Second?

24 MR. HENRY RODRIGUEZ: Second.

25 MR. FEKETE: All in favor signify by

1 saying aye.

2 (All signify aye.)

3 MR. FEKETE: Any opposition?

4 (No Response).

5 MR. FEKETE: Hearing none, the motion is  
6 approved.

7 We have for approval  
8 consideration from FMT Consulting to accept for  
9 reimbursement the additional hours of 9.5 which were  
10 accrued in 2016.

11 MR. LOPEZ: Motion to accept.

12 THE COURT: Do we have a second?

13 MR. HENRY RODRIGUEZ: Second.

14 MR. FEKETE: We have a roll call vote.  
15 John Bakota?

16 MR. BAKOTA: Yes.

17 MR. FEKETE: Henry Rodriguez?

18 MR. HENRY RODRIGUEZ: Yes.

19 MR. FEKETE: Patrick Rodriguez?

20 (No Response)

21 MR. FEKETE: Ted Zagar?

22 (No Response)

23 MR. FEKETE: Kevin Doyle?

24 MR. DOYLE: Yes.

25 MR. FEKETE: Ray Lopez?

1 MR. LOPEZ: Yes.

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

3 The motion is approved. Account consulting report,  
4 Tim Anderson.

5 MR. ANDERSON: Tim Anderson,  
6 CliftonLarsonAllen. I have a copy of the report,  
7 looks like you got hard copies. So this is our  
8 financial report as of December 31st. First page,  
9 page one, actually I guess it's page 2, shows the  
10 interest income, the User fees that were collected  
11 during the year, and the transfer from the Trust  
12 account at BMO. And then there is the list of all  
13 the things that we have spent money on this year.  
14 So our cash has increased 218,000 for the year. We  
15 had two million dollars in our Operating and our  
16 User fee account at the beginning of the year, and  
17 we wind up at December 31st, with 2.2 in the two  
18 accounts.

19 Page 3 shows, it's a little  
20 hard to read, shows all the activity in both the  
21 checking and the operating account. We give out  
22 magnifying glasses so you can read all the numbers.  
23 It shows each month the interest going in and the  
24 cash disbursements, but the balances are what we  
25 talked about.



1 with the State Board and with the IRS and everybody  
2 else. So that's all I have. Thank you.

3 MR. FEKETE: Any questions?

4 (No Response)

5 MR. FEKETE: Hearing none, thank you, Mr.  
6 Anderson. Next order of business is the approval  
7 consideration for accounts payable voucher dated  
8 January 17, 2017. I'll entertain a motion for  
9 approval.

10 MR. LOPEZ: Motion to accept.

11 MR. FEKETE: Do I have a second?

12 MR. HENRY RODRIGUEZ: Second.

13 MR. FEKETE: Roll call. John Bakota?

14 MR. BAKOTA: Yes.

15 MR. FEKETE: Henry Rodriguez?

16 MR. HENRY RODRIGUEZ: Yes.

17 MR. FEKETE: Patrick Rodriguez?

18 (No Response)

19 MR. FEKETE: Ted Zagar?

20 (No Response)

21 MR. FEKETE: Kevin Doyle?

22 MR. DOYLE: Yes.

23 MR. FEKETE: Ray Lopez?

24 MR. LOPEZ: Yes.

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

1 The motion is approved. The next order of business  
2 is the approval consideration for the Tetra Tech  
3 contract modification. Did you want to explain that  
4 for the record?

5 MR. TREVINO: Yes. So as I mentioned, in  
6 the past there's additional work that's anticipated  
7 in 2017 to support the redesign and remediation of  
8 the Lake George Canal branch that we are in the  
9 process of submitting a project proposal to the EPA.  
10 So the project proposal kind of outlines the work  
11 that's anticipated and the current estimate in the  
12 proposal is \$98,000. The budget line item that the  
13 Board approved is 100,000. So there is  
14 approximately 2,000, exactly \$2,000 in contingency.  
15 So this is an extension of the contract modification  
16 that the Board approved in 2016 of 68,500. So the  
17 recommendation is to approve the contract  
18 modification.

19 MR. FEKETE: Any questions?

20 MR. LOPEZ: Yes. That's 72,000, isn't it?

21 MR. TREVINO: What page are you on?

22 MR. FEKETE: The first page.

23 MR. TREVINO: Yeah, if you look at page 3  
24 it kind of shows, it's a good break down of where  
25 all the numbers or how we get the 98.

1 MR. BAKOTA: Fifth column at the bottom.  
2 MR. LOPEZ: I see that. Okay.  
3 MR. FEKETE: We good?  
4 MR. LOPEZ: Yes, sir.  
5 MR. FEKETE: Okay. Entertain a motion to  
6 approve.  
7 MR. HENRY RODRIGUEZ: Motion to approve.  
8 MR. FEKETE: Second?  
9 MR. LOPEZ: Second.  
10 MR. FEKETE: Roll call vote. John Bakota?  
11 MR. BAKOTA: Yes.  
12 MR. FEKETE: Henry Rodriguez?  
13 MR. HENRY RODRIGUEZ: Yes.  
14 MR. FEKETE: Patrick Rodriguez?  
15 (No Response)  
16 MR. FEKETE: Ted Zagar?  
17 (No Response)  
18 MR. FEKETE: Kevin Doyle?  
19 MR. DOYLE: Yes.  
20 MR. FEKETE: Ray Lopez?  
21 MR. LOPEZ: Yes.  
22 MR. FEKETE: John Fekete? I vote yes.  
23 The motion is approved. BMO Harris Bank Trust  
24 report.  
25 MR. TREVINO: Mr. Alonzo sent me an e-mail



1 saying that he wasn't going to be able to make it,  
2 so he did send me some notes to summarize his  
3 report. Page 1 highlights the historical value of  
4 the Trust since 1997 and also the distributions each  
5 year since 1997.

6 Page 2 highlights the  
7 current value of the Trust, which is approximately  
8 5.58 million.

9 And page 3 shows the value  
10 of the money market and essential business checking  
11 account and CDs. And the reports that you have in  
12 front of you are the typical reports that Mr. Alonzo  
13 has submitted to the board in the past that  
14 summarizes the BMO Harris Trust report.

15 MR. FEKETE: Okay. Looking at this, the  
16 next order of business with regard to our Trust is  
17 coming up in April when we have the CD that's coming  
18 due.

19 MR. TREVINO: Right. And when we -- when  
20 that time comes, we'll be setting aside a minimum of  
21 500,000 to support the 2017 budget amendment.

22 MR. FEKETE: Right.

23 MR. TREVINO: That the Board approved last  
24 month.

25 MR. FEKETE: Okay. Very good. Great

1 Lakes Legacy Act project update, Mr. Wescott.

2 MR. WESCOTT: Jim Wescott, Tetra Tech. As  
3 Fernando kind of eluded to, the project change. If  
4 you remember last year the expectation was that we'd  
5 be doing construction '17. So we did a lot of work  
6 in the Spring of last year and then it really  
7 trailed off in the Summer because the original  
8 concept was to focus on the Grand Cal and the Harbor  
9 Canal, with a little bit of Lake George. And when  
10 the funding sources that Fernando was pursuing  
11 didn't -- weren't really approved by EPA, combined  
12 sewer project, BP stepped in as you are aware. So  
13 we shifted our focus to doing some work on Lake  
14 George to make the construction happen in 2018.

15 So in the progress report  
16 for the whole year, we did a lot in the Spring, not  
17 much in the Summer, and then picked it up just the  
18 last couple of months when the new project sort of  
19 materialized with the project agreement that you  
20 guys are evaluating, and I guess approve or in the  
21 process of approving. So the last month was mainly  
22 just trying to get things started so that the BP  
23 project agreement kind of come together.

24 The contract modification  
25 that you have, the main expenditures are the

1 permits. We had all the permits as I mentioned last  
2 year to do all the work that we planned and now we  
3 have to reapply because the area and the timeframe  
4 is different. That's really the main expense for  
5 the next contract. But I would expect most of the  
6 work will occur between January and July/August  
7 timeframe because if things work out, EPA will need  
8 to go into the current progress for the sediment  
9 contract in the Fall. They will need to have most  
10 of the permits and the design work done. So I'd say  
11 75 percent of that contract modification will be  
12 spent by August. Are there any questions?

13 (No Response)

14 MR. LOPEZ: Thank you.

15 MR. WESCOTT: Did you get those photos?

16 MR. FEKETE: I did. Thank you very much.

17 And I am going to assume that we can use one of  
18 them?

19 MR. WESCOTT: Sure. You can use any of  
20 them, all of them, just pick one. All right. It's  
21 been a pleasure and I will be back next month.  
22 Thanks.

23 MR. FEKETE: U.S. Army Corps report.

24 MS. MILLS: Good evening. Natalie Mills  
25 with the U.S. Army Corps of Engineers. There's

1 minimal action or activity going on on-site right  
2 now. No dredging or water treatment going on based  
3 on the weather. They are continuing to operate the  
4 gradient control system. We presume they will be  
5 back sometime in March to begin operation of  
6 gradient control system again. The TSCA permit, we  
7 have heard of a tentative meeting date of March 6th.  
8 It has not been confirmed yet, but that's the date  
9 that EPA and IDEM are floating around right now. So  
10 if I hear it change, I'll keep you all posted, and  
11 it was suppose to be in the library.

12 As far as the equipment  
13 storage facility contract, that contract is wrapping  
14 up. We are going to enter into contract closeout.  
15 They are basically done with their work and then the  
16 new dredging contract, they are just continuing to  
17 provide their submittals in anticipation of  
18 transitioning from the old contract to the new  
19 contract in the Spring. That's all I have at this  
20 time.

21 MR. FEKETE: Okay. Any questions for Miss  
22 Mills?

23 (No Response)

24 MR. FEKETE: Thank you.

25 MS. MILLS: Thank you all.

1 MR. FEKETE: Ellen Gregory.

2 MS. GREGORY: Ellen Gregory, with Ellen  
3 Gregory Law. As Fernando mentioned, we had a  
4 meeting with the Corps in December to discuss cost  
5 share issues and PCA revisions. So we continue to  
6 have discussions with Army Corps on that.

7 TSCA permit comments were  
8 submitted January 4th as Fernando mentioned, and  
9 that included a comment related to the Feddeler  
10 interest in the CDF. So we haven't heard back from  
11 the Corps, hopefully we'll be hearing from Kim Sabo  
12 or you back on that issue because the Feddeler  
13 interest hasn't been resolved, even if the BP  
14 interest has been.

15 We received an INDOT permit  
16 today that was for attachment of the booms to the  
17 bridge at Indianapolis Boulevard. We are still  
18 waiting to hear back from BP on their comments to  
19 the Section 10 permit.

20 And the other legal issues  
21 that Fernando and I have been working on that he  
22 mentioned, the Tetra Tech contract modification.  
23 And then as the Great Lakes Legacy Act project  
24 proceeds, the legal work will include modification  
25 to the project agreement, as well as agreement with

1 BP for work on the sheet mill wall. And that's all  
2 I have.

3 MR. FEKETE: Okay. Any questions?

4 (No Response)

5 MR. FEKETE: Any new business to come  
6 before the Board?

7 (No Response)

8 MR. FEKETE: Any other business?

9 (No Response)

10 MR. FEKETE: Any public comments?

11 (No Response)

12 MR. FEKETE: Next Board meeting will be  
13 February 15, 2017, at 5:00 p.m. at this facility. I  
14 would entertain a motion for adjournment.

15 MR. BAKOTA: Make a motion to adjourn.

16 MR. FEKETE: Second?

17 MR. LOPEZ: Second.

18 MR. FEKETE: All in favor signify by  
19 saying aye.

20 (All signify aye.)

21 MR. FEKETE: Thank you all.

22

23 (MEETING ADJOURNED.)

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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 18th day of January, 2017, 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 7th day of February, 2017.

*Peggy S. LaLonde*

Peggy S. LaLonde, CSR

My Commission expires: 3/14/2018

