



East Chicago
WATERWAY MANAGEMENT DISTRICT

East Chicago Waterway Management District

2020 Communicator

This Communicator is being sent to property owners along the East Chicago waterway being assessed an annual user fee.

About the East Chicago Waterway Management District (ECWMD)

ECWMD is a district created in 1994 in accordance with Indiana State law (I.C. 8-10-9) to, among other things, manage and supervise the industrial, commercial, and recreational development of the waterways in the City of East Chicago. ECWMD's boundary is formed by an imaginary line one-half (1/2) mile distant from the center line of any waterway in all directions. In 2010, the ECWMD began assessing annual user fees to fund activities/projects to accomplish its statutory purposes. For more information on the ECWMD, please visit our website at www.in.gov/ecwmd/.

Because the ECWMD is an Indiana government entity, the State Board of Accounts (SBOA) performs periodic audits of its finances. The most current SBOA review was filed on September 30, 2019, for the period of 2015 through 2018. We are happy to report that the SBOA review concluded with no findings to report. A copy of the SBOA review report may be found on ECWMD's website at www.in.gov/ecwmd/ or the SBOA's website at www.in.gov/sboa.

The following is an update of ECWMD's two marquee projects:

- 1. East Chicago Waterways Clean-up Project**
- 2. Navigational Dredging Project**

1. East Chicago Waterway Clean-up Project

Decades of industrial and municipal discharges have contaminated sediments in the Grand Calumet River (GCR), Indiana Harbor Ship Canal (IHSC), and the Lake George Canal (LGC). Past sediment testing has detected contaminants ranging from ammonia, arsenic, cyanide, E-coli,

Mission Statement

"The ECWMD Advances Economic and Recreational Use of the Waterways"

April 6, 2020

PCB's, oil and grease, lead and pesticides to name a few. The contamination of the waterways has disrupted economic development and recreational use for decades.

Clean-up Project Summary – 2013 through 2019

2013 Great Lakes Legacy Act Project Agreement – ECWMD and EPA

In December 2013, the East Chicago Waterway Management District (the District) and the U.S. Environmental Protection Agency (USEPA) entered into a Project Agreement to conduct a Remedial Investigation (RI), Feasibility Study (FS) and Remedial Design (RD) for the GCR/IHSC/LGC through its Great Lakes Legacy Act (GLLA) Program. Under the GLLA, USEPA can provide federal funding and work when non-federal sponsors provide cash, work, or in-kind contributions. There are six major areas of the RD (see Figure 1):

- 1) Grand Calumet River – West (East Chicago)
- 2) Grand Calumet River – East (East Chicago)
- 3) Indiana Harbor Ship Canal (East Chicago)
- 4) Lake George Canal – East (East Chicago)
- 5) Lake George Canal – Middle (Hammond) and
- 6) Lake George Canal – West (Hammond)

The Project Team during these initial phases, consisted of the District, USEPA, and TetraTech who was hired to provide the engineering services. The RI and FS are completed and the RD is substantially complete.

The State and Community/Stakeholder Acceptance was obtained during the public comment period. Feedback from stakeholder meetings, public meetings and the public comment period were considered in the evaluation of the final cleanup plan.

Due to limited funding, the RD and Remedial Action (RA) cannot be completed for the entire project area all at once; therefore, the RD and RA will be completed for specific areas of the project separately as funding becomes available.

2015 GLLA Project Agreement, 1st Amendment – ECWMD, Atlantic Richfield, BP, and EPA

In December 2015, the Project Agreement between the District and USEPA was amended to add Atlantic Richfield Company (AR) and BP Products North America Inc. (BP) as non-federal project partners which allowed AR/BP to begin capturing ongoing source control activities that qualifies as in-kind contribution.

2018 GLLA Project Agreement, 2nd Amendment – ECWMD, AR, BP, and EPA

On November 8, 2018, the GLLA Project Agreement was again amended (with signatories ECWMD, AR, BP and EPA) to include the remediation of the Lake George Canal (LGC) East Section and Lake George Canal (LGC) Middle Section (see Figure 2 and written summary below). This GLLA Project Agreement includes projects along the waterways carried out by the non-federal project partners that can count towards the non-federal partners' local share such as the installation of a sheet pile wall along the South Tank Farm (STF) located on the south side of the LGC east branch in East Chicago, and an underground pipeline removal project to name a few. The total project cost is estimated at \$26 million, (see attachment A, EPA News Release). The pipeline removal project began in 2019 and is expected to be completed in 2020. Design work on the STF Sheet Pile Wall project began in 2019, and the wall is anticipated to be installed in 2021.

Atlantic Richfield Company, BP Products North America, Inc., and the East Chicago Waterway Management District are partnering on the construction of the STF sheet pile wall on the former Energy Conservation Inc. (ECI) and implementation of bank controls along the north bank of the LGC Middle Section. As of this writing, the design work has reached the 30% design stage and is documented in the Basis of Design Report (BODR).

The objective of the project is to mitigate historic ECI impacts in the upland parcels from the Lake George Canal.

A presentation of the project and the 30% BODR was provided at a public meeting on Wednesday, February 19, 2020, at 6:00 PM, at 4444 Railroad Ave., East Chicago, Indiana. Another public meeting will take place when the design is 90% complete; however, no additional public comment period is currently planned after March 23, 2020.

A copy of the BODR and related materials may be found on ECWMD's website, www.in.gov/ecwmd/.

Summary of Remediation Scope of Work - LGC East Section and LGC Middle Section

The LGC-East Section – The current proposed remediation plan includes dredging/removal of approximately 60,000 cubic yards of sediment and the placement of a cap on a small area located on the west-end of the LGC-East Section near the railroad bridge. Targeted sediment will be environmentally dredged to a pre-determined elevation using either hydraulic or mechanical means. Containment curtains or similar equipment will be used during dredging to contain sediment and oil sheen within the immediate vicinity of the dredging operation. The 1st phase of the dredging is estimated to remove approximately 40,000 cy's of contaminated sediment and is anticipated to be performed in 2020. The 2nd phase of the dredging is anticipated to be completed in 2022 after the STF sheet pile wall is installed.

The LGC-Middle Section – The current proposed remediation plan includes the placement of approximately 462,000 square feet of cap material covering approximately 11 acres which will contain contamination and reduce the potential for resuspension of contaminated sediment. The final cap design is expected to be completed in 2020 and will confirm the proposed cap thickness is sufficient and protective of human, health and the environment along the LGC. The final cap design will take into consideration banks, scour and various outfalls within the LGC. The cap is anticipated to be installed in 2022.

2019 GLLA Project Agreement, 3rd Amendment – ECWMD, AR, BP, ArcelorMittal, and EPA

On November 13, 2019, the Project Agreement was again amended to capture in-kind work from an ArcelorMittal Harbor Dredging Project and additional source control efforts from BP's Land Bridge Project. The Harbor Dredging Project is estimated to produce an estimated \$8.1 million in cost share credit with dredging activities scheduled to begin in the Summer of 2020. We anticipate leveraging the in-kind work produced from the dredging work to help complete additional sediment remediation in the Grand Calumet River Area of Concern (AOC) within the City of East Chicago consistent with the FS and RD efforts performed during the initial 2013 Project Agreement. The Harbor Dredging Project will be funded by ArcelorMittal.

The estimated cost of the Land Bridge Project is \$900,000. This project will be funded by AR/BP and will serve as in-kind credit for AR/BP's use as match in a potential, future project in the west section of the Lake George Canal.

Remediation and Funding for the Other Sections of the East Chicago Waterways

The Project Team continues to work hard to leverage and secure funding to complete the clean-up/remediation for the entire East Chicago waterway. Funding sources we continue to explore include:

- Local industries/stakeholders as partners – industries/stakeholders that have ongoing work or future work that benefit the waterway clean-up objectives may count towards in-kind contributions. If the project benefits the waterway and qualifies as in-kind, no additional work or cost is required of the industry/stakeholder and is considered voluntary; however, the industry/stakeholder will have to give permission in the form of a partnership agreement to allow subsequent project costs to count towards non-federal in-kind contributions.
- On December 11, 2019, the District along with EPA and IDEM lead a presentation at a Lakeshore Chamber of Commerce luncheon that summarized the ongoing GLLA project activities and efforts and included a solicitation of potential future GLLA partnerships to area businesses. As of this writing, AR/BP and ArcelorMittal are the only local

industry/stakeholders that have signed onto a partnership agreement allowing qualifying work along the waterway to count towards in-kind credit.

If you are interested or know someone who may be interested in entering a partnership agreement with the District or know of ongoing or future projects/activities that may count towards in-kind contribution, please contact Fernando M. Treviño, ECWMD Executive Director, at (mobile) 219-741-7714, or fntconsulting@aol.com; or Rick Nagle, with the USEPA, at 312-353-8222, or nagle.richard@epa.gov.

- Local Industries with past or ongoing GLLA projects that may have a cost share balance after project completion that may be transferred to our project.
- User fees collected by District.
- Reimbursement monies and credits that may be owed by the Army Corps of Engineers for past payments made by the District for the construction of the CDF.
- Cost share credit balance remaining from the above ECWMD/AR/BP project that may be carried over for remediation of other parts of the waterway.

Several Expected Long-term Benefits of Clean Waterways

- A reduction of toxics released into the Lake Michigan
- A reduction of human and ecological risks
- Improved aquatic habitat
- Improved water quality
- Improved conditions for fish and wildlife
- Improved aesthetics – clean environmental conditions will allow wildlife to thrive – birds, fish, and vegetation.
- Increase opportunities for business development and recreational use.
 - Studies of similar projects indicate a potential return of investment in the range of 6 to 1, including increasing property values.
 - A clean canal/river will enhance recreational opportunities and use.

2. Navigational Dredging Project

Due to the contaminated sediment in the canal and a lack of a suitable disposal facility, the Indiana Harbor Ship Canal (IHSC) had not been dredged since 1972. The contaminated sediment in the canal is not suitable for open water disposal into Lake Michigan, nor is it suitable for unconfined upland disposal or beneficial use. The consequence of the inability to dredge for such a long period of time is a buildup of sediment in the canal which impacts the efficiency of deep draft commercial shipping. To provide a suitable disposal site, the Army Corps of Engineers designed and constructed a Confined Disposal Facility (CDF) located in East Chicago with the current capacity to store up to 2.7 million cubic yards of dredged contaminated sediment from

the IHSC. The Corps expects to eventually add a second lift to CDF dikes increasing the CDF capacity to approximately 4.8 million cubic yards.

The dredging project is designed to dredge and dispose of sediment in a way that is safe to human health, improves the environment, and is economically beneficial. The commercial benefit of the navigational dredging project will be a “deeper” canal enabling a more economical and cost-effective means for deep draft commercial shipping through the Indiana Harbor Ship Canal. The navigational dredging will have fortuitous environmental benefits resulting from a cleaner canal which will be taken into consideration in the final cleanup design.

Following the completion of the CDF construction in 2011, the Corps began dredging the IHSC in the fall of 2012. Dredging activities have continued every year since. Through 2019, the Corps has dredged approximately 1.6 million cubic yards of sediment (see figure 3). The Corps plans to dredge approximately 182,300 cubic yards of sediment in 2020 (see figure 4), which is expected to begin in late spring/early summer of 2020.

The ECWMD serves as the local sponsor of the CDF for companies and private owners who wish to have the Corps perform dredging at their docks and/or property. Costs affiliated with these dredging activities and storage in the CDF are paid by the company/private owners. The ECWMD also communicates with the Corps the concerns and issues voiced by the local community and stake holders related to the dredging and CDF construction/maintenance activities. For additional information on the navigational dredging project, please visit the Corps’ website at www.lrc.usace.army.mil/Missions/CivilWorksProjects/IndianaHarbor.aspx

If you have any questions, concerns, or issues with the Dredging Project, CDF project/activities, or the clean-up efforts described above, or if you would like to learn more about the possibility of dredging material on or near your property, please contact Fernando M. Treviño, ECWMD Executive Director, at (mobile) 219-741-7714, or fntconsulting@aol.com. You may also visit us at www.in.gov/ecwmd/.

Sincerely,



Fernando M. Treviño
ECWMD, Executive Director



John Fekete
ECWMD, President of the Board

cc: ECWMD Board of Directors
Ellen Gregory, ECWMD Board Attorney
Rick Nagle, USEPA
Kristen Isom, USEPA
Natalie Mills, Army Corps of Engineers, Project Manager
Mike Nguyen, Army Corps of Engineers, Project Manager

Paul Johnson (BP)
Eric Hritsuk (BP)



U.S. ENVIRONMENTAL PROTECTION AGENCY
NEWS RELEASE
WWW.EPA.GOV/NEWSROOM

CONTACT: Allison Lippert, 312-353-0967, lippert.allison@epa.gov

EPA announces \$26 million cleanup of Grand Calumet River in Northwest Indiana

EAST CHICAGO / HAMMOND, IND. (May 20, 2019) — The U.S. Environmental Protection Agency (EPA) announced a \$26 million cleanup will begin this month on Lake George Canal in the cities of East Chicago and Hammond, Indiana. The waterway is part of the Grand Calumet River Area of Concern on Lake Michigan, identified by the United States and Canada as one of 43 toxic hotspots in the Great Lakes basin. Work will be funded through a cost-sharing partnership with the East Chicago Waterway Management District (ECWMD), Atlantic Richfield Company and BP Products North America. EPA anticipates the cleanup will be completed in 2020.

“Through this public-private partnership, EPA, East Chicago Waterway Management District, Atlantic Richfield and BP will work together to remove more than a century’s legacy contamination, improve habitat and boost economic growth along the Grand Calumet River in Northwest Indiana,” said **EPA Region 5 Administrator / Great Lakes National Program Manager Cathy Stepp**. “This massive cleanup is a crucial step forward in restoring the river and clearly demonstrates the progress being made under the Great Lakes Restoration Initiative.”

Approximately 60,000 cubic yards of contaminated sediment will be dredged from the Lake George Canal. Any material that may remain will be capped and controlled, as needed.

“Mayor Copeland of East Chicago, Congressman Visclosky, ECWMD Board of Directors, Atlantic Richfield and BP, and EPA have been outstanding partners in the cleaning of our waterways and in the team’s hard work and effort to see this project through to fruition,” said **ECWMD Executive Director Fernando M. Treviño**.

“Atlantic Richfield Company and BP Products North America appreciate the opportunity to partner with the U.S. EPA and the East Chicago Waterway Management District on the completion of this important project,” said **Chris Greco, Portfolio Manager, Remediation Management Services Company**. “We believe it benefits the community and helps create additional opportunities in East Chicago.”

The Grand Calumet River flows 13 miles through the heavily industrialized cities of Gary, East Chicago and Hammond. The river is recognized as one of the most contaminated in the nation and consists mostly of drainage from nearby cities and industries. Historical industrial activities such as steelmaking, meatpacking and oil refining contaminated the river’s sediment with heavy metals,

Attachment (A)
East Chicago Waterway Management
Communicator, April 6, 2020

polychlorinated biphenyls (PCBs), polycyclic aromatic hydrocarbons (PAHs), and oil and grease. It is the only Area of Concern that was originally considered impaired on all fourteen beneficial uses under the bi-national Great Lakes Water Quality Agreement.

Tomorrow, EPA Great Lakes National Program Office Director Chris Korleski will join community members and stakeholders at Seidner Dune and Swale Nature Preserve for the seventh annual Grand Calumet River Stewardship Day co-hosted by The Nature Conservancy and Illinois-Indiana Sea Grant.

The GLRI was launched in 2010 to accelerate efforts to protect and restore the Great Lakes. Federal agencies have funded more than 4,700 projects totaling over \$2.4 billion to address the most important Great Lakes priorities, including: cleaning up highly-contaminated “areas of concern,” reducing nutrient runoff, combating invasive species and restoring habitat.

For more information: <https://www.epa.gov/great-lakes-aocs/grand-calumet-river-aoc>

Figure (1)
East Chicago Waterway Management District
Communicator, April 6, 2020







Mission Statement
"The ECWMD Advances Economic and Recreational Use of the Waterways"

April 6, 2020

Figure (2)
 East Chicago Waterway Management District
 Communicator, April 6, 2020



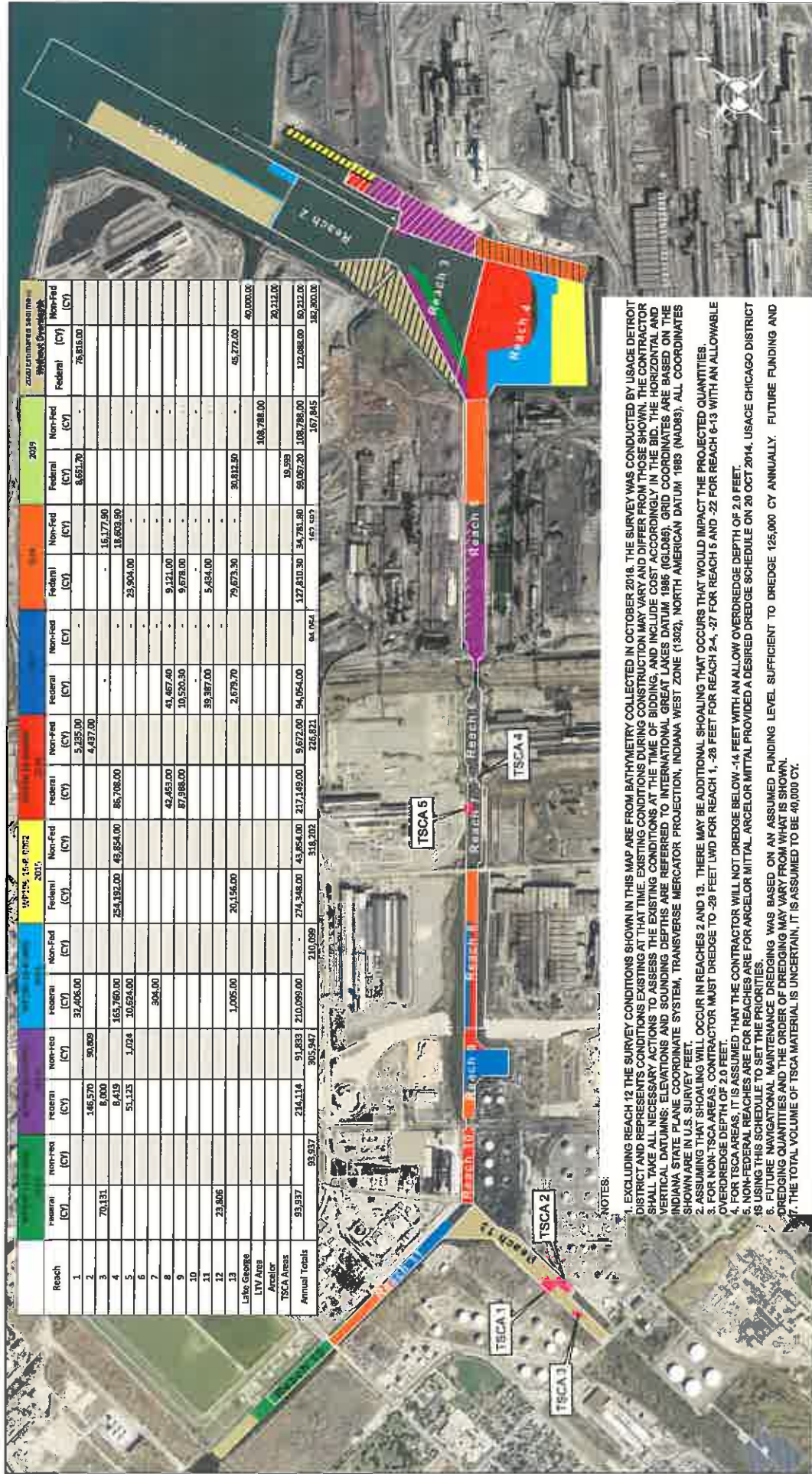

**U.S. Army Corps
 Of Engineers ®
 Chicago District**

Legend
 LGC-West
 LGC-Middle
 LGC-East

**Lake George
 Restoration
 Project Area**
 Chicago District, U.S. Army Corps of Engineers

For Official Use Only
 September 2019

Figure (3)
East Chicago Waterway Management District
Communicator, April 6, 2020



Indiana Harbor For Official Use Only
Dredging Volumes by Year March 2020

0 500 1,000 2,000 3,000 4,000 Feet

Chicago District, U.S. Army Corps of Engineers

Legend

- 2012, Federal
- 2013, Non-Federal
- 2013, Federal
- 2014, Federal
- 2015, Federal
- 2015, Non-Federal
- 2016, Federal
- 2016, Non-Federal
- 2017, Federal
- 2017, Non-Federal
- 2018, Federal
- 2018, Non-Federal
- 2019, Federal
- 2019, Non-Federal
- 2020, Federal
- 2020, Non-Federal

NOTES:

- EXCLUDING REACH 12 THE SURVEY CONDITIONS SHOWN IN THIS MAP ARE FROM BATHYMETRY COLLECTED IN OCTOBER 2018. THE SURVEY WAS CONDUCTED BY USACE DETROIT DISTRICT. REACH 12 REPRESENTS CONDITIONS EXISTING AT THAT TIME. EXISTING CONDITIONS DURING CONSTRUCTION MAY VARY AND DIFFER FROM THOSE SHOWN. THE CONTRACTOR SHALL TAKE ALL NECESSARY ACTIONS TO ASSESS THE EXISTING CONDITIONS AT THE TIME OF BIDDING, AND INCLUDE COST ACCORDINGLY IN THE BID. THE HORIZONTAL AND VERTICAL DATUMS, ELEVATIONS AND POINTING DEGREES REFERRED TO INTERNATIONAL GREAT LAKES DATUM 1985 (IGLD85). GRID COORDINATES ARE BASED ON THE INDIANA STATE PLANE COORDINATE SYSTEM, TRANSVERSE MERCATOR PROJECTION, INDIANA WEST ZONE (1802), NORTH AMERICAN DATUM 1983 (NAD83). ALL COORDINATES SHOWN ARE IN U.S. SURVEY FEET.
- ASSUMING THAT SHOALING WILL OCCUR IN REACHES 2 AND 13. THERE MAY BE ADDITIONAL SHOALING THAT OCCURS THAT WOULD IMPACT THE PROJECTED QUANTITIES FOR NON-TSCA AREAS. CONTRACTOR MUST DREDGE TO -28 FEET LWD FOR REACH 1, -28 FEET FOR REACH 2-4, -27 FOR REACH 5 AND -22 FOR REACH 6-13 WITH AN ALLOWABLE OVERDREDGE DEPTH OF 2.0 FEET.
- FOR TSCA AREAS, IT IS ASSUMED THAT THE CONTRACTOR WILL NOT DREDGE BELOW -14 FEET WITH AN ALLOW OVERDREDGE DEPTH OF 2.0 FEET.
- NON-FEDERAL REACHES ARE FOR REACHES ARE FOR ARCELOR MITTAL. ARCELOR MITTAL PROVIDED A DESIRED DREDGE SCHEDULE ON 20 OCT 2014. USACE CHICAGO DISTRICT IS USING THIS SCHEDULE TO SET THE PRIORITIES.
- FUTURE NAVIGATIONAL MAINTENANCE DREDGING WAS BASED ON AN ASSUMED FUNDING LEVEL SUFFICIENT TO DREDGE 125,000 CY ANNUALLY. FUTURE FUNDING AND DREDGING QUANTITIES AND THE ORDER OF DREDGING MAY VARY FROM WHAT IS SHOWN.
- THE TOTAL VOLUME OF TSCA MATERIAL IS UNCERTAIN, IT IS ASSUMED TO BE 40,000 CY.

Figure (4)
 East Chicago Waterway Management District
 Communicator, April 6, 2020



Legend

Reaches  Dredge Plan 2020


1 inch = 1,279 feet

0 550 1,100 2,200 3,300 4,400 Feet

FY20 Proposed Dredging
 Primary Backlog Areas
 March 2020

FY20

Chicago District, U.S. Army Corps of Engineers

 U.S. Army Corps of Engineers