

- I. **Call to Order:** The RDA Meeting was called to order at 10:00 a.m. with John Clark presiding.
- II. **Roll Call:** Present: Howard Cohen, Bill Joiner, L. Martinez John Clark, Harley Snyder, and Gus Olympidis. Six members were present constituting a quorum.
- III. **Approval of Minutes:** John Clark requested approval of minutes from the August 21, 2007 meeting. H. Cohen moved to accept the minutes with a second by B. Joiner. All were in favor and the August 21, 2007 meeting minutes were approved.
- IV. **Treasurer's Report:** In regards to revenue, the RDA is reflecting nothing for the month of September. The RDA has received an e-mail notification from the State of Indiana stating that the RDA will receive 2.5 million dollars from the State by the end of October. The RDA is still in continuing discussions with the City of Hammond for the July portion which is still outstanding. There has been very little activity on projects during the month of September. The only payment project-wise was the Portage/Lakeshore at \$138,400. Money was also paid to the professional running of the RDA office. The RDA currently has \$36,917,334 deposited among three financial institutions in interest-bearing accounts. The report reflected activity through September 30, 2007. Over the last month the money has earned an additional \$126,188 in interest. Year to date, the RDA has earned \$1,360,602 in interest on the money deposited among the three financial institutions. H. Cohen moved to accept the treasurer's report with a second by B. Joiner. All were in favor and the treasurer's report was approved.
- V. **Report of Chair:** In light of the heavy agenda there was no report from the Chair.

VI. **Action Items:**

a. **Consultant Services Governing Policy:**

G. Olympidis states that the consultant working group met September 11, 2007 for the purpose of revisiting recommendations from its August 8, 2007 Working Group meeting. The Working Group recommendations are as follows:

- That the original Working Group recommendation (b) stands and it reads as follows: That separate cost estimates are to be presented to the RDA Board for the various initiatives that are contemplated by the consulting service for approval (as opposed to one lump sum). If this recommendation proves to be problematic, the Working Group will re-examine it.
- That the staff will deliver to the full board at regularly held Board meeting, but not less frequently than quarterly, a detailed account of expenditures and budgets for all approved consulting services along with a reasonably detailed forecast for approved consulting expenditures and for consulting services for projects that are likely to be proposed.
- That the Working Group is given sufficient information and time about the various consulting projects in order for it to offer thoughtful consideration.
- That the RDA administration budget for CY 2007 and CY 2008 is referred to the budget committee for its consideration.

G. Olympidis requested a motion to ratify the action items. B. Joiner so moved with a second by L. Martinez. All were in favor and the motion carries.

The Working Group met again September 21, 2007, and the subsequent motions were passed recommending the following:

Motion 1

That the request from the City of Gary for a new train station and the request from the City of Valparaiso for assistance in the procurement of busses need to go through the application process, acceptance and assignment to the appropriate working groups by the full RDA Board prior to consulting services for these projects being considered.

Motion 2

That the requests for high speed rail and TRACS transportation intelligence are pending deliberations by the Working Group chaired by Harley Snyder and at this time considering consulting services for these projects would be premature.

Motion 3

That a committee is established to facilitate the development of policies, guidelines, and parameters for the consideration of consulting services and make subsequent recommendations to the full RDA Board.

B. Joiner affirms that the RDA Policy Governing Consulting Services are set fourth to establish a working guideline as far as an hourly rate the RDA will be anticipating, activities in order to keep the board aware of the consultant basis, supplied monthly basis, enable to avoid duplication of cost, and also to set fourth the maximum figure that can be looked as well as establishing a \$2000 monthly spending limit that can be made available to those projects not yet approved by the Board that the Executive Directors deems necessary.

B. Joiner offers motion to adopt the RDA Policy Governing Consulting Services. H. Cohen so moved with a second by L. Martinez.

J. Clark opens for discussion on the motion. G. Olympidis states that the recommendation of the subgroup also offers an opportunity for any member of the commission to request consulting services for a matter the Board may deem necessary.

All were in favor and the motion carries.

b. Investment Plan:

B. Joiner states that over the past several months the Investment committee has been working to examine the possibility of re-allocation of the portfolio for the RDA. B. Joiner sent along a memorandum to all of the Board and during the course of that period the Working Group has been working with the RDA investment consultant, Scannell Wealth Management, to examine the current position of the RDA and the cash flow. The Working Group took a careful look at examining the RDA investment policy for compliance both through the State of Indiana and the State Board of Accounts on approved investments involving public funds. In order to prepare a diverse allocation guideline for the RDA portfolio, Scannell Wealth Management was approved to work with the RDA's three financial institutions to implement changes to the RDA portfolio. The investment committee agreed upon an investment benchmark to measure the RDA investment portfolio, which the work of Scannell Wealth Management Group will measure against. It was also recommended that the RDA Board approve the re-allocation of investable dollars in accordance to the Scannell recommendation. Attached to the Investment Meeting Update memo are benchmarks with three different scenarios. One assumption looks at the current portfolio, another assumption looks at a 50 million dollar balance, and one looks at a 70 million dollar balance. Interest earned will change from each scenario. The time frame changes per scenario also, when you look at the matrixes that have been attached it will result in 70 to 80 basis points of interest earnings. This will not jeopardize the funds in any long term scenario, it complies with both the State of Indiana and the State Board of Accounts, and it will not jeopardize the cash flow. B. Joiner offers a motion as chair of the Investment Committee to approve the re-allocation and the RDA would be looking forward to working with Scannell Wealth Management Group on an ongoing basis. H. Cohen seconds the motion. All were in favor of the motion and the motion carries.

c. 2007/2008 Budget:

H. Cohen presents the layout of the CY 2007 and CY 2008 budget. The RDA has now organized the budget into some categories that the RDA hopes will be some of the continuing categories. Categories include the personal/administrative and the development related expenses. This is not a budget for projects. The thing to notice is that it assumes a 3 ½% increase from 2007 to 2008. The three additional categories in the 2008 budget that are not in the 2007 budget are

the Investment Consultant, Compliance Consultant, and the Media Consultant. We have not yet a firm grip on what the Compliance Consultant and Media Consultant will cost the RDA. We have agreed together, that in-lieu of adding staff in these areas the RDA will try to operate with consultants to keep the cost down, we our outsourcing wherever possible. The administrative budget runs about 2% of the RDA's annual income. H. Snyder comments that he is not interested in irresponsibly spending money through the RDA but feels that it is important for our staff to take advantage of opportunities that may improve their ability to serve their Board and the people of Northwest Indiana. He feels that the employees should unveil themselves to such opportunities to benefit the RDA in general.

B. Joiner offers a motion to approve the budget as proposed with a second from L. Martinez. T. Sanders comments that under meals and travel the RDA was spending considerably less than what was budgeted, and also in legal services in the CY 2007. The budget in those two areas was reduced by 25% and that is reflected in the 2008 budget. All were in favor of the motion and the motion carries.

VII. **Items for Board's Acceptance:** T. Sanders states that as the RDA protocol indicates our process is to accept projects that come before the board that fall with in the parameters of the RDA mission. We have had five items come to the office.

a. **Gary/South Shore Gateway Station:**

T. Sanders believes the Gary/South Shore Gateway Station is an interesting project that has the support of Mayor Clay and the South Shore Railroad. This is a project that will require a significant amount of money, some of which would come from the RDA. T. Sanders encouraged the Board to accept this project and form a working group to evaluate it carefully and bring it back for discussion and review at the next RDA Board meeting.

G. Olympidis moves that this application is accepted and is assigned an appropriate Working Group with a second from B. Joiner.

B. Joiner asks T. Sanders if an absolute figure has been brought forward to the RDA. T. Sanders states that not an absolute figure, but the total cost seems to be in excess of \$56 million. Where all the money comes from needs to be evaluated carefully.

All were in favor of the motion and the motion carries.

b. **City of Valparaiso – Express Bus Service to Chicago:**

T. Sanders feels the City of Valparaiso – Express Bus Service to Chicago is a unique request. They are requesting \$2 million to help fund an Express Bus Service from Valparaiso to downtown Chicago; they have done significant marketing on this project. They view this as a forgivable loan. As this project goes forward, for the time this project is successful and operates the RDA would forgive this \$2 million loan over a 10 year period at the rate of \$200,000 a year. This would help get this service up and running. This is clearly a part of our mandate and there should be opportunities to work with the Regional Bus Authority (RBA) on this project as well as a part of a regional system. T. Sanders would encourage the Board to accept this project and form a working group to evaluate it carefully and bring it back for discussion and review at the next RDA Board meeting.

B. Joiner moves to accept T. Sanders request and assign it to the current bus committee. G. Olympidis seconds the motion.

H. Cohen questions if the City of Valparaiso has been in contact with or discussed with the RBA. T. Sanders states that there has been discussion, but no resolution if there will actually be a working arrangement with the RBA.

All were in favor of the motion and the motion carries.

T. Sanders states that the RDA has a number of Working Groups, and L. Martinez had an excellent suggestion. Working Groups reflect the entire Board, and should be a Working Group of the whole. Last week the RDA had a Working Group that had every local member there. It

was very productive, and T. Sanders recommends that the RDA have a Working Group on a day on which all of these projects can be considered. It seems to be much more efficient and makes it easier for the public and the press. H. Snyder supports T. Sanders suggestion. When the RDA Board comes together they are far more productive than they are apart, it will enable the Board to avoid any lack of information when all the members come together at a full RDA Board meeting. H. Cohen asks if T. Sanders is proposing a working group of the whole or working groups working serially. T. Sanders believes that everyone would come together to discuss all issues, everyone would be able to participate; there would still be definable Working Groups with chairs. H. Cohen asks if this would require a bylaw change. T. Sanders stated that this would just be a policy that evolves over time. H. Cohen believes that this is a good idea, but also believes that it's necessary to have someone who is responsible for preparing that discussion by having each of these action items assigned to a defined committee with a defined chair so we don't come in and discover that no one has prepared the information. J. Clark believes that would be an obligation of the staff to do. L. Martinez agrees with H. Cohen and L. Martinez states that purpose of the committee of the whole is the number of things to be cast upon us is considerable; having more bodies and more input is a comfort. If we have a committee of the whole we can deal with these things individually, and having a separate chair for each of the issues is essential. J. Clark would still like to rely on volunteer chairs. Gary/South Shore Gateway Station will be chaired by G. Olympidis. The City of Valparaiso – Express Bus Service to Chicago will be chaired by L. Martinez.

c. Portage Northshore Park Expansion:

T. Sanders states that Portage Northshore Park Expansion has approached the RDA for funding. There is 26 acres of land available adjacent to the park in Portage for the price of \$350,000. The request to the RDA is for \$365,000. \$15,000 of which would be for an environmental update to assure to the RDA that the property is not polluted. This is an addition to an already approved project and significant economic opportunity for the City of Portage and would urge the RDA Board to accept this project for further review. L. Martinez asks T. Sanders if there is any other property available besides the 26 acres. T. Sanders says that there is other property available; however the additional property has a building on it. B. Joiner moves to except the Portage Northshore Park Expansion with a second by H. Cohen. All were in favor of the motion and the motion carries. The Portage Northshore Park Expansion will be chaired by H. Snyder.

d. Little Calumet River Levee Construction:

T. Sanders states that the Little Calumet Basin Commission has applied for funds from the RDA. There is a request for \$6 million to complete the construction along the Little Calumet River. This is a project that has been in the works for many years, and a lot of construction has been done. The General Assembly has traditionally provided funding for the Little Calumet Basin Commission to match federal funds. In the last session \$2 million dollars was provided, and they are \$6 million dollars short to complete the construction of this project. The RDA has received a copy of a letter from Governor Daniels and Congressman Visclosky urging support for this project. They will both work to see that the money is re-paid. The RDA has also received a letter from Senator Frank Mrvan who is present today. This project offers opportunity for economic development and takes us out of the flood plain. The letter is self explanatory and T. Sanders urges that the Board to accept this project and assign it to a Working Group for further review. L. Martinez moved to accept the recommendation with a second by G. Olympidis.

J. Clark opens for discussion on the motion. J. Clark thanks Senator Frank Mrvan for attending. Senator Mrvan and Mark Lopez of Congressman Visclosky's office both spoke in support of the Little Calumet River Levee Construction.

J. Clark observed that this is an extraordinary request because this a joint request from Governor Daniels and Congressman Visclosky, the two founders of the RDA along with the members of the General Assembly as well. J. Clark is mindful that this is a project not specifically enumerated in the organic legislation or the comprehensive development plan that has been discussed and approved by the General Assembly; it does however seem to be in the spirit of the RDA. Also it appears to be seen as a loan instead of a grant, and this isn't the typical engagement with projects like these. So mindful of all that, J. Clark hoped to accept and give it all due consideration. H. Snyder states that for the record he is in support of this project and in fact would be happy to chair the Working Group for that purpose. H. Snyder raises a question to the council. He does not want to place this project in jeopardy because it is outside the statue. If the RDA decides to take this project on, is the RDA opening the doors up to obstruction or placing it in a compromising position. D. Hollenbeck states that we talk all the time about the four approved projects in the development plan, but the fact of the matter is that there are five strategic plans. The fifth strategic plan is any other economic development projects in northwest Indiana. The extent to which you evaluate this project, you need to evaluate it in the context that it impedes economic development in northwest Indiana. If you feel comfortable that it meets your criteria than it's clearly with in your legal authority to expend the money. D. Hollenbeck states that the absence of this project from the strategic plan will be the problem, not insurmountable, that's more of an issue than whether it fits in the statutory definition. All were in favor of the motion and the motion carries. Two Board members have offered to chair this working group. B. Joiner and H. Snyder will co-chair the Little Calumet River Levee Construction.

e. **NWI Forum/Westlake Marketing Request:**

T. Sanders states that there has been a request from the NWI Forum to the RDA for \$130,000. This will go along with an additional sum of money that will be used for a marketing campaign to advance the Westlake Corridor and expand the South Shore Railroad to Valparaiso and southern Lake County. There have been meetings ongoing for a number of months and the RDA has received a document referred to as 'Building a New Economy in Northwest Indiana' and this is a testimony from Congressman Visclosky and the State Budget Committee. This request is only slightly different from the standard requests that have come before the Board. This request is interesting and if this request is successful this will move the South Shore Railroad along the way to completion. Motion so moved by H. Cohen and with a second by B. Joiner. J. Clark is in support of this request. G. Olympidis offers a substitute motion to approve the funding as there is nothing to study with the current request, as G. Olympidis understands that there is a time limit. B. Joiner seconds the motion. J. Clark believes this is a reasonable request, and there is an element of urgency. Karen Lauerman, Marketing Director for the NWI Forum, states that the NWI Forum will be in front of the General Assembly in January for the short session and she expresses the urgency of the funds. H. Cohen asks if the decision is needed before the next RDA Board meeting. K. Lauerman states that the NWI Forum would appreciate a more immediate response but will work with the RDA Board regardless of their decision. B. Joiner offers an amendment in language on the motion, inserting an exception to protocol. It is clearly saying we are not moving away from our normal approach. G. Olympidis accepts that. H. Cohen observed that when we funded the RBA some of those funds went to marketing. This is not establishing a new category of things we fund if we have funded marketing for the RBA. H. Snyder clarifies the motion – the RDA Board is moving to approve these funds for a marketing effort to be performed by the NWI Forum. This is being done as an exception to normal protocol, because of the timing and because the RDA Board has previously given marketing funds to the RBA. This is also being done because of the very little study necessary. All in favor of the motion amended and stated by H. Snyder. All were in favor of the motion and the motion carries. T. Sanders will ask the council to work with the NWI Forum to

establish a grant agreement that will be similar to other grant agreements and will ensure the funds will ultimately be used for what has been approved.

VIII. Project Progress Report:

a. Regional Bus Authority:

The RBA is continuing their work. T. Sanders sent them a letter asking them to reach out to the Gary Public Transportation Corporation (GPTC). He asked them to offer assistance if possible and advice to help them. K. Dallmeyer states that there is a meeting at 3 p.m. on October 17, 2007 that will address some of these issues. The RBA has been in contact with the Federal Transit Administration and the GPTC and they say they are working through something that will allow them to be refinanced. NWI Transportation Study Commission met on October 9, 2007 and they heard from others what has been going on at GPTC. They will meet again on October 30, 2007 and have requested additional information from the GPTC.

b. South Shore:

They are currently working on the cars in Japan. They are about 5% completed at this point and that work is continuing.

c. Gary/Chicago International Airport:

At the previous meeting the RDA Board approved funding to the Gary/Chicago International Airport for funding for the burying of cable lines at the end of the runway at Cline Avenue and to move large gasoline tanks owned by Citgo, and that work is continuing. The Airport has sent a check for \$876,000 to a company in France to purchase some electric cable that is only half of the cost of this project; the total cost will be \$1.7 million. There was a meeting with the EPA, IDEM, and the Airport's personnel which the consultants had attended. Bill Sheldrake with PolicyAnalytics and Vince Epps of Shrewsbury has prepared memos in which they have tried to detail the issues that have come up between the Airport and the US EPA. He demonstrated the fact there are some, as we brought out in the strategic plan we prepared for the RDA January of 2007, there are some significant issues with respect to the environmental mitigation and remediation of parcels in and around the Airport, at that time it was correct, that continues to be the case. Those environmental issues are impeding the development of the Airport. We have brought along with our status report some thoughts about that. V. Epps speaks on behalf of Shrewsbury and as a Consultant states that from an environmental standpoint most of those sites are environmentally unfit. The FAA says that there are some environmental issues that need to be resolved before expansion occurs. There are two things we need to look. At first, from a regulatory standpoint there are several agencies that are stakeholders here including IDEM, EPA and the Coast Guard to the Protection Act. There are environmental statues and laws that need to be taken a look at comprehensively. The second issue is plain constructability; if you are trying to build on an environmentally impaired site the constructability issues need to be taken into account. We are in an area where there are environmental impacts small and large, the environmental issues are going to make an impact if you're trying to build a building or a hanger, and the problems may exacerbate the problems that are already there. B. Joiner offers a motion that this work done and the memo attached be referred back to the Executive Director to convene a meeting which both the appropriate Airport officials or Board persons along with our consultants and then this be referred back to the RDA Board in order to update us in terms of what the combined position is going for. J. Clark asks B. Joiner to clarify the motion before putting it in motion, he assumes that the role of the Airport Working Group would be the vehicle in which would proceed on with this issue. B. Joiner states that that's fine. H. Snyder asks V. Epps if the Airport Authority is aware of the issues in which you point out in your report. V. Epps believes they are aware of environmental issues that need to be addressed. He does not know if they are aware of these issues from a regulatory and the constructability aspects of development. H. Snyder finds it hard to believe that these issues have not been previously acknowledged and addressed. B. Joiner states that he agrees. As he's gone through

these documents, one of the clear issues that Shrewsbury's firm is raising is that should this be a holistic and comprehensive approach, looking at the overall problems that are related, or there is a feeling they are being more piecemeal. Let's do some more due diligence and come back so that we can be in a better position. H. Snyder believes that a holistic approach would be the best way to attack this problem and agrees with B. Joiners motion. H. Cohen asks how much of this should be driven by the Airport. Should they be consultants to the Airport, are we doing the Airport's work, and are we doing it with there willing agreement. G. Olympidis questions the thesis of the holistic approach; he states that it is missing a price tag. V. Epps says the range is pretty large and it ranges from \$750,000 to \$1 million and could take 9-12 months to complete. G. Olympidis understands that it could be a broad range but asks if this is the cost of fact finding or does this include fixing the problems. V. Epps states you could be speaking of both; a lot of information has already been generated. The information has to be consolidated and you have to look at all the information. You look for data gaps, and each agency may have there own requirements, but the stakeholders need to get together and decide together, which has been done to an extent. Outside the fact finding, you put together a plan and you show the agencies what you have. The agencies will find some vehicle because they want to be helpful to the advance of an economic development project. L. Martinez asks B. Sheldrake if he has had cordial relationships with the Airport and assumes the Airport would look forward to B. Sheldrake's council on that. B. Sheldrake has had several conversations with Chris Curry concerning the environmental issues. C. Curry knew this was going to come at some point in time. B. Sheldrake thinks that the Airport management is frustrated with the slowness of this whole process and would welcome this process to deal with environmental issues. B. Joiner repeats the motion to refer the memo and attached documents back to the Executive Director and the Consultants. Have them get together to review findings with the Airport Board and come back to the working group prior to coming back to the full Board. All were in favor of the motion and the motion carries.

d. Marquette Plan:

We've received an invoice from the City of Portage for their first payout for the park expansion, we've been asked by NIRPC to brief the Board about phase II Marquette Plan which would extend from the City of Portage to the Michigan state line. We can set that up at one of our Working Group meetings soon and hear from them. We've met with the Gary/East Chicago South Shore Revitalization Group, they are moving forward with their plan. There was a Working Group meeting and they had suggested that they would need more money. The Working Group appropriately suggested that they look very closely at there budget and try to find it there before coming back to the RDA Board for the money.

IX. Executive Director's Report:

There is a Metropolitan Planning Council meeting in Chicago on November 29, 2007. They are going to announce the Burnham award. Media consultants have responded to the RFQ. T. Sanders request's some guidance from the Board to help consider the scope of work for the Media Consultant. B. Joiner suggests that this should be on the agenda for the Working Group as a whole. We have received three replies for the compliance consultant. T. Sanders has asked Shrewsbury for advice because the amounts of money asked for in the responses from the Compliance Consultant is not close to what the RDA has budgeted. T. Sanders has written letters to all four projects asking them to provide their outreach and standards for WBE/MBE firms. The RDA has received responses from two groups and has sent out two additional letters urging responses. Finally, T. Sanders has suggested a Working Group meeting of the whole sometime around November 7, because G. Olympidis is unable to make it on the 7th. November 13, 2007 at noon was decided by the Board.

G. Olympidis presents a proposed question from Councilman Bob Poparad as to whether the RDA has examined the possibility of locating an Intermodal Facility in the greater Lake County area. G. Olympidis believes that the question is worthy of an educated response, it has a lot of common sense attached to it, and with the reality of a thousand jobs being at stake. G. Olympidis will request that the consultant respond to this matter. G. Olympidis motioned to accept this proposal with a second from B. Joiner. All were in favor of the motion and the motion carries.

X. Public Comment:

Nat McKnight, resident of Gary, comments on the environmental issues of the Gary/Chicago International Airport. He is opposed to the request of the Gary Gateway Station funding request and believes it needs to be revitalized, not removed, because those stations serve a lot of people. Tom Eden representing the Miller Citizens Corporation endorsed everything Mr. McKnight has said. Keep the Miller station where it is. Jim Nowacki, resident of Gary shows his resistance to the Little Calumet River Levee Construction request for funding, but trusts the RDA Board in making the right decision. Bob Wichlinski from 21CSI asks for clarification from the last RDA Working Group meeting considering the funding request from 21CSI. B. Wichlinski asks what they can expect next from the Board. H. Snyder believes they made a motion to table the request for 90 days and allow Mr. Wichlinski to come back to the Board after investigating whether he can get public funds from another source, then the RDA Board may be able to consider his request. Because it's a for profit organization the Board has their reservations. Howard Whitesman, resident of Chicago brought with him some boards regarding projects of Miller. He is opposed to the request of the Gary Gateway Station funding request. He doesn't understand why the RDA Board is even considering it.

XI. Adjournment:

Without further business, the meeting was adjourned.

Respectfully submitted by Jillian Huber on October 19, 2007