

**MINUTES OF THE REGULAR MEETING OF THE
MICHIGAN CITY REDEVELOPMENT COMMISSION
JANUARY 12, 2009**

The Michigan City Redevelopment Commission met in a regular meeting in the Common Council Chambers, City Hall Building, 100 East Michigan Boulevard, Michigan City, Indiana, on Monday, January 12, 2009, at 5:00 p.m. local time; the date, hour and place duly established for the holding of said meeting.

CALL TO ORDER

Chairman Ken Behrendt called the meeting to order at 5:05 p.m. He welcomed new member Neil Kienitz to the Commission. He thanked Cranston Harris, an outgoing member, for his year of service on the Commission.

ROLL CALL

The following members were noted present for the record: Ken Behrendt, Ed Bigda, Lynne Kaser, Neil Kienitz and Michael Kniola. James Kintzele was absent. (5 present, 1 absent) Staff in attendance: Executive Director John Pugh, Attorney Michael Bergerson, Zoning Administrator/Rehab Officer Joseph Siegel and Secretary Debbie Wilson.

Public in attendance: Deborah Sederberg from the News Dispatch, Ron Miller from WE-FM, Bob Bailey, Dan Radtke, Mayor Charles Oberlie and Councilman Richard Murphy.

ELECTION OF OFFICERS

Chairman Ken Behrendt, turned the meeting over to the Executive Director John Pugh. Mr. Pugh noted current officers – Ken Behrendt, President; Ed Bigda, Vice-President; Lynne Kaser, Secretary; John Pugh, Acting Secretary.

Mr. Pugh opened the floor for nominations.

A motion was made by Mr. Bigda to retain the same officers for 2009 as in 2008, including the Acting Secretary. The motion was seconded by Mr. Kniola, with the vote as follows: (AYES): Ken Behrendt, Ed Bigda, Lynne Kaser, Neil Kienitz, Michael Kniola (NAYS): None

With a vote of 5 ayes and 0 nays, the motion was UNANIMOUSLY APPROVED.

Officers for 2009 are: Ken Behrendt, President; Ed Bigda, Vice-President; Lynne Kaser, Secretary; John Pugh, Acting Secretary.

APPROVAL OF MINUTES

The Chair entertained a motion for approval of the minutes of the regular meeting of December 8, 2008.

A motion to approve the minutes was made by Ms. Kaser – seconded by Mr. Bigda, with the vote as follows: (AYES): Ken Behrendt, Ed Bigda, Lynne Kaser, Neil Kienitz, Michael Kniola (NAYS): None

With a vote of 5 ayes and 0 nays, the motion was UNANIMOUSLY APPROVED.

CLAIMS

Mr. Pugh distributed and reviewed the claims list for January:

Payroll

Staff Salaries	12/19/08	2,314.49
	01/02/09	<u>2,325.87</u>
		4,640.36

Claims (Regular)

Lenore Gregory	Acctg services - Nov 2008	250.00
Michael Bergerson	Legal retainer - Jan 2009	<u>300.00</u>
		550.00

Claims (N TIF)

Michael Bergerson	Legal services N TIF	5,965.00
Stress Analysis	Blocksom	675.00
Baker & Daniels	Legal services - Sobkowiak	6,560.89
American		
Structurepoint	Michigan Blvd rehab	<u>50,970.00</u>
		64,170.89

Claims (S TIF)

ANR Pipeline	Utility work - 400 N	442,878.13
US Bank	Debt service payment 2007 bond	103,963.78
Beam Longest & Neff	Eng - Towne Center Dr	2,541.54
Beam Longest & Neff	Eng - 400 N	34,526.68
Rieth Riley	Construction 400 N	<u>98,386.04</u>
		682,296.17

The Chair entertained a motion for approval of the claims.

A motion to approve was made by Mr. Bigda – seconded by Mr. Kniola, with the vote as follows: (AYES): Ken Behrendt, Ed Bigda, Lynne Kaser, Neil Kienitz, Michael Kniola (NAYS): None

With a vote of 5 ayes and 0 nays, the motion was UNANIMOUSLY APPROVED.

FINANCIAL REPORT

Mr. Pugh reviewed the financial report ended 11/30/08.

Ms. Kaser asked the status of the Thomas Cabinetry loan.

Attorney Bergerson stated that he is still investigating whether or not it is collectable.

The Chair entertained a motion for approval of the financial report.

A motion to approve was made by Mr. Kniola – seconded by Ms. Kaser, with the vote as follows: (AYES): Ken Behrendt, Ed Bigda, Lynne Kaser, Neil Kienitz, Michael Kniola (NAYS): None

With a vote of 5 ayes and 0 nays, the motion was UNANIMOUSLY APPROVED.

REPORT BY LEGAL COUNSEL

With regard to the Sobkowiak/Weber litigation, Attorney Bergerson reported that there was a delay in getting the appraisals due to the holiday, but he does anticipate receipt of those reports any day. As a result, the trial date was rescheduled to March 8th and 9th to hear any objections to those reports. In addition, if the Commission has any objections, the City's case would go forward as well on the recovery of the remediation expenses expected to incur for cleanup of the properties. He noted that there have

been discussions with Tom Stevenson of Environmental Inc. in terms of the Commission's ability to obtain grants to get the remediation costs recovered.

Attorney Bergerson has been meeting with representatives of Blocksom and the Commission's consultants. There are additional costs to verify and get a handle on for the relocation of that facility within a 15 mile radius.

Attorney Bergerson reported that a notice of appeal was filed today by the Bailey's on the results of the Matey's litigation.

Ms. Kaser questioned the chances of obtaining those grants in today's climate.

Attorney Bergerson replied that previous grants have been awarded to the Commission for the cleanup of the Benzsz property, the railroad property, and former Erircraft property. He felt that Mr. Stevenson is hopeful the Commission will get grant monies for the Sobkowiak property as well. The Weber property has been identified as a potentially responsible party, so the grant situation for them is a little different since they are a liable entity and potentially contributed to the contamination at that site. The City is the only entity that could get the grants; the private individuals cannot get the grants and they have not done anything to clean it up, leaving it up to the Commission to either use their own funds or get grants to clean it up in order to develop the site. If the Commission uses their own funds they would hope to recover those funds as a set off against any funds the property owners might get from an appraised value award.

Ms. Kaser asked what the grant award amounts might be.

Mr. Pugh replied that the existing grants through the EPA are \$200,000 each. The EPA sets limits and the Commission has been successful with \$200,000 as a single amount.

Attorney Bergerson added that since the last meeting, the testing and inspection results indicate the cleanup costs to be significantly less than what was first estimated due to the fact that they have been able to test all the areas and the contamination dissipating over a period of five years as well as the water table changing.

Attorney Bergerson certified that an Executive Session was held prior to this meeting and discussion was limited to the items on the agenda, no votes were taken and there was no discussion of any other item

REPORT BY DIRECTOR

Mr. Pugh stated that it was contemplated to use a TIF Bond on the Lafayette/Barker storm sewer project and have proceeded in that direction in working with the Sanitary District to set a bid date. He made note of the Obama stimulus plan and the possibility

that this could feasibly become a project under the stimulus to add to the TIF Bond. He said it is speculation at this point, but wanted the Commission to be aware that it could be a possibility. If the project is included under the stimulus, TIF proceeds could be used on another project.

PUBLIC COMMENT

None

ADJOURNMENT

The next meeting will be held on February 9th.

The Chair entertained a motion to adjourn.

A motion was made by Mr. Bigda – seconded by Mr. Kniola and unanimously approved.

The Chair declared the meeting adjourned at 5:20 p.m.

Lynne Kaser, Secretary