

**MINUTES OF A SPECIAL MEETING OF THE
MICHIGAN CITY REDEVELOPMENT COMMISSION
OCTOBER 5, 2009**

The Michigan City Redevelopment Commission met in a special meeting in the Planning Department Conference Room, City Hall Building, 100 East Michigan Boulevard, Michigan City, Indiana, on Monday, October 5, 2009, at 6:00 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 6:00 p.m.

ROLL CALL

A full Board was present: Ken Behrendt, Ed Bigda, Lynne Kaser, Neil Kienitz, and Michael Kniola. Staff in attendance: Executive Director John Pugh, Attorney Michael Bergerson, and Secretary Debbie Wilson.

Public in attendance: Tom Stevenson from Environmental, Inc.; Tony Childers; Bob Schaefer; Dave Fennell; Laurie Wink from the News Dispatch.

DISCUSSION OF BROWNFIELD STATUS & GRANT APPLICATIONS

Tom Stevenson, Environmental, Inc., had two items of discussion. One being the US EPA Brownfields current cleanup projects for the former Norfolk & Western Railroad property and the former Erincraft facility, the other being the three proposals being prepared for US EPA Brownfield Grant funding for three sites along the Trail Creek corridor – the former Erincraft facility, the former Norfolk & Western Railroad property, and the former Benz facility.

Mr. Stevenson stated that in 2008 Michigan City was awarded two US EPA Brownfields Cleanup Grants (\$200,000 for each site) and IFA Federal Matching Funds Grants (\$40,000 for each site) for the remediation of contaminated soils at the former Erincraft facility and the former Norfolk & Western Railroad property. Mr. Stevenson explained that Brownfields are abandoned, idled, or under used industrial/commercial facilities where redevelopment/re-use is complicated by real or perceived environmental contamination.

As background, from 1921 to approximately 1990, the Norfolk & Western Railroad property was used for railroad traffic and railroad car unloading activities. The property is now owned by Michigan City. The former Erincraft site was occupied by the Western Launch and Engine Works from 1905 to 1925 as a boat maintenance and repair facility.

From 1925 to 1975, the Hays Corporation occupied the site as a manufacturer of power plant scientific instruments. Erircraft occupied the site from 1975 to 1986 as a manufacturer of electric heaters. The property is now owned by Michigan City.

Soils at the former Norfolk & Western property are contaminated above the IDEM's Risk Integrated System of Closure (RISC) Policy's Residential Default Closure Levels (RDCL). Contamination includes Volatile organic compounds (VOCs), semi-VOCs, total petroleum hydrocarbons (TPH), and heavy metals (arsenic, cadmium, chromium, copper and lead). Approximately 3,100 cubic yards (4,300 tons) of impacted soils were identified at the site exceeding IDEM's RISC Policy's RDCLs. Groundwater below and in the vicinity of the site is impacted with several chlorinated solvents including tetrachloroethene (PCE), trichloroethene (TCE) and vinyl chloride.

Soils at the former Erircraft site are contaminated above the IDEM's RISC Policy's RDCLs with VOCs, semi-VOCs, heavy metals (arsenic, antimony, cadmium, chromium, copper, lead, and mercury), and cyanide. Approximately 6,800 cubic yards (9,500 tons) of impacted soils were identified at the site exceeding the IDEM's RISC Policy's RDCLs. Groundwater below and in the vicinity of the site is impacted with several chlorinated solvents including PCE, TCE, and vinyl chloride.

The proposed soil cleanup goal for each site is the IDEM's RISC RDCLs in order to allow for unrestricted future use of the sites. Remediating contaminated soils to below residential levels allows for the sites to be redeveloped for unrestricted end use since the residential closure levels are considered protective of human health and the environment.

Cleanup grant funds will be used for: (1) Development of Community Relations Plans to keep the Michigan City community informed of site cleanup activities and involved throughout the planning process for the cleanup projects; (2) Development of Remediation Work Plans (RWPs) for the cleanup of contaminated soils at the sites (The RWPs were approved by the Indiana Brownfields Program in August 2009); and (3) Conduct soil cleanup activities at the sites.

The Michigan City community will be kept informed on cleanup project activities through community meetings and project newsletters. The administrative records for the cleanup projects will be located at the Michigan City Planning and Redevelopment Department at City Hall.

Off-site landfilling will be utilized to remediate these properties. Contaminated soils will be excavated. The soil will be loaded into semi-dump trailers for transport to an off-site landfill. Following excavation, confirmatory soil samples will be collected to ensure contaminated soils have been removed. The excavated area will be backfilled and compacted with clean backfill material.

The anticipated schedule for these projects is that bids are currently being solicited. A contractor should be retained by October 19th with a contract in place by the end of October. Cleanup of the contaminated soils will take place in November with completion at the end of December. The Soil Remediation Completion Report will be prepared and completed by the end of March 2010.

Mr. Stevenson stated that this concludes his presentation for the current EPA grants and asked if anyone had questions or comments.

Mr. Kienitz asked if the Ice House (Sobkowiak) and B&E (Benz) properties are cleaned up to residential levels.

Mr. Stevenson replied that the soil at the Benz site has been cleaned up with funding through a 2005 EPA grant, but the ground water is still an issue. The soil was cleaned up about two months ago on the Sobkowiak site with funding through an IFA grant. The groundwater is still being addressed. The Benz site has been cleaned to the residential level. There still is no report available for the Sobkowiak site. Since the cleanup at the Sobkowiak site was through the IFA, it will only be cleaned up to commercial/industrial levels; so if there are additional contaminants above the residential level, the City might have to go back and clean it up themselves. Hopefully the report will show the levels below residential.

Mr. Kienitz asked how the railroad property could have gotten contaminated.

Mr. Stevenson replied that the property is down gradient from the Erincraft facility. Materials dumped on the Erincraft property probably slowly migrated to the railroad property. There was a spur that came onto the Erincraft property where they did unloading and there were above ground storage tanks on the Weber site which were leaking. In general, industrial activities over 80-90 years contributed to the contamination.

Attorney Bergerson noted for the record that proof of publication of this meeting has been submitted and is on file.

Mr. Stevenson stated that the other matter of discussion tonight is the upcoming US EPA Brownfield Cleanup Grant Proposals being prepared for additional funding for remediation of groundwater at three sites – the former Erincraft facility, the former Norfolk & Western Railroad property, and the former Benz facility. Groundwater contamination is present at all three sites and is impacted with several chlorinated solvents including PCE, TCE, and vinyl chloride, which is above IDEM's RISC Policy's RDCL.

In conclusion, Mr. Stevenson stated that the grant proposals are being prepared to acquire grant funds for the cleanup of contaminated groundwater. If successful, each grant will provide \$200,000 in cleanup funding for each site. Draft copies of the proposals are currently available for public review and comment and the Michigan City Planning Department. Public comment will be accepted until the end of the day on October 9th. The final grant proposals are due to be submitted to the US EPA by October 16th. Mr. Stevenson indicated that the City will find out if they are successful in obtaining grant funding in April or May of 2010.

Mr. Stevenson showed an illustration of the existing groundwater contamination plume, which includes an area extending from Trail Creek, East Michigan Boulevard, East 8th Street, "E" Street, and also exists south of 8th Street on the hill area to the top of Holliday Street. Erincraft used that area for parking vehicles and probably dumped solvents over the years. There is a high concentration of contamination in this area. The contaminants do not seem to be entering Trail Creek at this time.

Mr. Pugh asked how groundwater is typically cleaned up.

Mr. Stevenson explained that the method they propose to use is anaerobic bioremediation where a hydrogen solution is injected to assist with the degradation of the contaminants. The contaminants will degrade over time. This process typically takes 1-2 years. There are different options available that will be evaluated as well – pump the groundwater out, treat it, and reinject it; putting a barrier along Trail Creek; etc. Mr. Stevenson said the anaerobic bioremediation is the most viable.

Ms. Kaser asked where those materials are injected.

Mr. Stevenson replied that they go down to the groundwater and inject the material in about 300-400 points throughout the area.

Ms. Kaser asked how long this takes.

Mr. Stevenson stated that it is approximately a two year period followed by a two year monitoring period.

Mr. Behrendt asked if the parcel south of Eighth Street will be addressed as well.

Mr. Stevenson stated that it would not be addressed at this point. The EPA only allows for three proposals per year. Although, he pointed out that this area does need to be addressed. The Indiana Finance Authority has stimulus money and hopefully Michigan City can obtain some of that money for this.

Mr. Behrendt asked if there is a risk cleaning the areas to the north before cleaning up the parcel to the south.

Mr. Stevenson said it should be addressed all at once.

Mr. Behrendt asked who controls the parcel to the south.

Mr. Stevenson said it is under public control – Michigan City and LaPorte County.

Dave Fennell questioned the dumping area where the creek was dredged and put upstream, and if that was good when it was tested.

Mr. Pugh replied that it has. It is finished and ready to be transferred to the County.

Mr. Fennell asked if the City has to wait for the grant money before cleaning up.

Mr. Stevenson stated that the cost of groundwater cleanup is estimated at \$1.2 million; the grants will assist the City with cleanup costs.

Laurie Wink asked where the other money will come from.

Mr. Behrendt replied that it would come from the Redevelopment Commission.

Mr. Behrendt asked the process and timeframe for the stimulus package for the parcel south of Eighth Street.

Mr. Pugh replied that we are waiting to hear.

Mr. Behrendt asked how much the City would get.

Mr. Stevenson stated that he was not sure, but all four properties were submitted for consideration. The City's proven track record will help.

Mr. Fennell asked if the area upstream around Seneca Petroleum has been checked.

Mr. Pugh stated that they have not gone up that far. The Commission is just dealing with the property they have acquired and earmarked.

Mr. Stevenson advised that everything is flowing north.

Mr. Fennell asked if the Commission will be addressing the creek bed.

Mr. Behrendt replied that it is not in the Commission's purview.

Mr. Pugh added that dredging is an Army Corp issue. The Commission wants a clean product so the property can be developed.

Mr. Stevenson stated that test results indicate there is no discharge from the properties into Trail Creek.

Mr. Fennell questioned if this project will go all the way to Gateway Park.

Mr. Behrendt stated that it is only for the parcels specified.

Mr. Pugh added that there have been some preliminary environmentals done on Gateway Park. Blocksom is doing their own environmentals.

Chairman Behrendt thanked Mr. Stevenson for his presentation and acknowledged the fact that he prepares the grants free of charge to the Commission.

Mr. Schaefer provided copies of the Project ReNew newsletter. He stated that they rely on Mr. Stevenson for updates. He noted that it is available on the City's website.

Mr. Pugh added that this is part of our continuing efforts to keep the community updated.

PUBLIC COMMENT

None

OTHER BUSINESS

None

ADJOURNMENT

The Chair entertained a motion to adjourn.

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

The Chair declared the meeting adjourned at 6:40 p.m.

/s/ Lynne Kaser