

**September 20, 2021, Regular Meeting Minutes**  
**HOBART REDEVELOPMENT COMMISSION**

President Carla Houck called the September 20, 2021, regular meeting of the Redevelopment Commission (RDC) to order at 8:33 a.m. The meeting was held in the City Council Chambers at City Hall, and also via Zoom with the public issued a dial-in number to allow listening and participation capabilities. The Pledge of Allegiance was recited. Members present: Carla Houck, Shawn Kelly, Marsha Plesac, Matthew Claussen, and Judy Dunlap (*arrived via Zoom during New Business*). Members absent: Pam Broadaway. Also present: Beth Jacobson, Director of Development; Deborah Longer, Clerk-Treasurer; Anthony DeBonis, RDC Attorney (*via Zoom*); Heather McCarthy, City Attorney (*via Zoom*); Phil Gralik, City Engineer; Greg Lorig, American Structurepoint (*via Zoom*); Brandon Towle, Butler Fairman & Seufert (BF&S); and Dawn Hostetler, RDC Recording Secretary.

Under **Approval of Agenda**, a motion was made by Mr. Claussen to approve the agenda as presented; seconded by Ms. Plesac. All ayes; motion carried. (4-0)

Regarding the **Minutes of August 16, 2021, Regular Meeting**, a motion was made by Mr. Kelly to approve the August 16, 2021, Regular Meeting minutes as presented; seconded by Ms. Plesac. All ayes; motion carried. (4-0)

Regarding the **Treasurer's Report**, the August investment statements for Fund 406 and Fund 410, plus the most current fund & appropriation reports for Fund 406, Fund 410, and Fund 250 were distributed in the RDC meeting packet. There were no questions or comments.

There was no **Old Business**.

Under **New Business**, the first item was the **TRAX Project – Status Report (American Structurepoint)**. Mr. Lorig stated the final geotechnical report from the subconsultant was submitted to INDOT last week, and some preliminary comments have already been received back. He said INDOT has also approved the right-of-way engineering documents that were submitted at the end of July. He reported that American Structurepoint is still waiting for a notice to proceed from INDOT for Appraisal Problem Analyses (APA) so right-of-way acquisition can begin. Mr. Lorig stated that a contract amendment was submitted to INDOT, which included updates to the real estate fees so they are current with INDOT standards. He said Eric Wolverton has been in communication with INDOT and will continue to follow up on this issue. He indicated that the subconsultants may need to begin the APAs prior to receiving the notice to proceed from INDOT in order to stay on schedule. American Structurepoint has been reviewing the environmental document internally and should be submitted to INDOT sometime next week, and final approval is anticipated in late December or early January.

Ms. Houck noted that the project summary sheet still lists today's date for a public hearing to be held. She asked if this needs to be addressed during this meeting. Mr. Lorig stated that no official action is needed at this time. He said advertisement for a public hearing will be needed at some point, then there will be a 30-day waiting period for the public to respond. He explained that a public hearing is required only if one is requested during the 30-day period. Mr. Gralik said for federally funded projects, there is a very comprehensive checklist required to be covered at a public meeting in the event that a public hearing is requested. He said if no such request is

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received, a public hearing is not needed and the City could simply host an informational meeting to give an overview of the project to the public. He indicated that people are generally more receptive to the open dialogue that occurs during public meetings as opposed to the fastidious information presented during public hearings. Ms. Jacobson asked if the date on the monthly summary sheet can be updated. Mr. Lorig said that he will consult with the environmental team to best estimate a date for the public hearing if needed.

Regarding the **69<sup>th</sup> Avenue Improvement Project – Status Report**, Mr. Towle distributed copies of a written status report, which included construction photos. He stated that the intersection of 69<sup>th</sup> Avenue and Colorado Street is now closed for construction. He said approximately 16,000 cubic yards of material (over 1,200 truckloads) has been hauled into the jobsite since closing the road, which has raised the existing grade to as much as seven feet in some areas. Mr. Towle reported that the storm sewer has been installed in the roundabout area. He indicated that excavation for the concrete footing will be done today, but the footing will likely not be poured until later this week due to the forecasted rain. He said work at the west end of phase 2 is in a holding pattern until a decision is made regarding change order #10, which will be discussed later in the meeting. He stated that subgrade treatment is anticipated to begin next week, and the project is on schedule to begin paving the first week of November.

The next item of business was the **Approval of Pay Estimate #10 (G.E. Marshall) 69<sup>th</sup> Avenue Improvement Project (A – Road)**. Mr. Towle stated that this pay estimate is primarily for the material hauled to the jobsite and some common excavation. The total amount for pay estimate #10 after retainage deduction is \$340,281.80. He indicated that future pay estimates will not have any retainage since the contract has surpassed the 50% mark. Ms. Jacobson noted that payment from the Regional Development Authority (RDA) for pay estimate #9 (\$108,608.23) is still pending. A motion was made by Ms. Plesac to approve pay estimate #10 in the amount of \$340,281.80; seconded by Mr. Kelly. All ayes; motion carried. (4-0)

Regarding the **Approval of Change Order #10 – 69<sup>th</sup> Avenue Improvement Project (A - Road)**, Mr. Towle stated that one of the residents on the west end of the phase 2 project has made a request for the grade to be lowered in front of his home because the new road is about four feet higher than the previous grade, which has markedly obstructed his view. Additionally, this resident expressed concern regarding how steep the road slopes down to his property. Mr. Towle said the contractor provided a cost estimate to install more material to flatten out the slope and a separate cost estimate to reduce the grade. He indicated that the project cost difference between these two options is minimal, so reducing the grade is the most sensible solution to satisfy this resident. He said the existing structures on site have been redesigned so that new ones do not need to be ordered since they have a long lead time. The revised AutoCAD files were sent to G.E. Marshall's subcontractor, Sitech, to convert to GPS files for the equipment in order to ensure the proper grading. However, Sitech indicated that it would be about two weeks before they are able to convert the files due to their current workload. A cost estimate was then requested for G.E. Marshall's surveyor, Duneland Group, to manually stake the revised road grades to avoid delay. Mr. Towle stated that he is awaiting this price estimate as well as an actual start date from the surveyor. He said he has calculated the new road grades for the contractor to begin excavation. He indicated that there will ultimately be two new pay items, one for the modification of the existing structures, and another for the surveyor's labor. He said the

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intention is to make the survey work a unit cost per staking so that if Sitech is able to update the GPS files after the initial staking is complete, subsequent stakings would not be needed. He explained that the surveyor would need to stake on three separate occasions, once for road grading, then for fine grading after subgrade treatment, and yet again for subbase and curb. He stated that the contractor's preference is to use the GPS rather than manual staking.

Ms. Jacobson stated that this change order was preliminarily approved by herself, the RDC president, the city engineer, and the mayor as per the RDC's purchasing policy adopted via Resolution 2020-06. She noted that she believes this situation falls under the "*Change of Scope or Project Betterment under an existing contract*" clause of this policy, which allows the aforementioned officials to approve time-sensitive change orders up to \$15,000.00 without prior RDC approval. She asked Attorney DeBonis if the approval of this change order should be tabled since definitive actions and costs are still unknown. Attorney DeBonis advised that this agenda item should be tabled. He indicated that because the preliminary approval is in place, the RDC can ratify the approval at a future meeting. A motion was made by Mr. Claussen to table change order #10; seconded by Ms. Plesac. All ayes; motion carried. (4-0)

The next item of business was the **2022 Education & Workforce Training Grant**. Ms. Hostetler reviewed the updates and revisions that were made to the grant documents for 2022. She indicated that language stating the Commission's findings in accordance with State statute I.C. 36-7-25-7 was added to the grant agreement; therefore, the reference to the RDC passing a resolution was removed from the third paragraph of the application. On the reimbursement form, the reference to the Director of Development was changed to the Redevelopment Grant Manager. Also, the reference to a mid-project report was changed to quarterly reports to reflect the actual reporting procedure, and the reference to submitting photos on a CD was removed since this form of technology is outdated. The total grant amount will remain at \$30,000.00 for 2022, and the deadline to receive applications will be November 1, 2021. The grant application will be posted on the City's website and will be circulated to the same organizations that it has been distributed to in previous years, which includes the School City of Hobart (SCOH), Merrillville Community School Corporation (MCSC), River Forest Community School Corporation, the Northwest Indiana Forum, the Center of Workforce Innovations (CWI), the Lake County Economic Alliance (LCEA), and NIPSCO. A motion was made by Ms. Plesac to approve the 2022 Education & Workforce Training Grant as presented; seconded by Mr. Kelly. All ayes; motion carried. (4-0)

Regarding the **Appointment of Grant Committee**, Ms. Plesac and Mr. Kelly both offered to serve on this committee along with Ms. Hostetler as grant manager. This committee is needed to review the 2022 Education & Workforce Training Grant applications. Ms. Hostetler stated that the Grant Committee will need to meet in early November in order to make recommendation of award at the November 15<sup>th</sup> RDC meeting. A motion was made by Mr. Claussen to appoint Ms. Plesac, Mr. Kelly, and Ms. Hostetler to the grant committee; seconded by Ms. Plesac. All ayes; motion carried. (4-0)

Ms. Jacobson reviewed the invoices on the **Register of Claims**. She stated that there are two invoices from Baker Tilly; BTMA 10811 is for continuing disclosure services related to the

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bonds within the 61<sup>st</sup> Avenue/SR 51 TIF district, and BTMA 11145 is for the preparation of incentive analyses related to Project Rudy. She explained that Project Rudy was a major project that the City was pursuing that ultimately chose to locate elsewhere. Ms. Jacobson said she felt this project was a good opportunity for the City, so she asked Baker Tilly to prepare an incentive analysis in order to make an attractive proposal to the company. She said her understanding is that Hobart’s incentive offer was very competitive; however, the company selected a community closer to its current location in order to retain more of its existing workforce. Mr. Claussen asked where this project would have been located in Hobart. Ms. Jacobson said the proposed location was on the Ameriplex Southlake property. Pay Estimate #10 from G.E. Marshall will be submitted to the RDA for reimbursement. A motion was made by Ms. Plesac to approve the register of claims in the amount of \$345,917.60; seconded by Mr. Kelly. All ayes; motion carried. (4-0)

<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Claimant</u>	<u>Amount</u>
8/23/2021	BTMA10811	Baker Tilly	\$2,085.80
9/9/2021	BTMA11145	Baker Tilly	\$3,550.00
9/13/2021	Pay Est. #10	G.E. Marshall	\$340,281.80
<b>Total:</b>			<b>\$345,917.60</b>

Regarding the Approval of 2020 Bond Register of Claims, Requisition No. 24 includes a payment to BF&S (Invoice 90990) in the amount of \$2,490.00 for engineering related to the 69<sup>th</sup> Avenue project, another payment to BF&S (Invoice 93726) in the amount of \$14,992.05 for inspection related to the 69<sup>th</sup> Avenue project, and a payment to INDOT (Invoice 66527) in the amount of \$4,056.75 for right-of-way services related to the TRAX project. Ms. Jacobson stated that she was expecting the RDC to be invoiced for the entire right-of-way amount in one lump sum of \$31,050.00 in March 2022 as indicated on the preliminary project schedule. She contacted INDOT Project Manager Jason Springer for clarification when this invoice was received. Mr. Springer indicated that INDOT has adjusted how some services are now categorized. Preliminary engineering is covered 100% by INDOT, and real estate services, which includes right-of-way acquisition, is split between the City (27%) and INDOT (73%). The appraisals have been moved to preliminary engineering, so are now covered 100% by INDOT; however, she said Mr. Springer explained that the line item for right-of-way services (\$4,056.75) needs to be billed now due to INDOT’s fiscal year schedule. She stated that this \$4,056.75 fee is a portion of the \$31,050.00 right-of-way acquisition cost. She said the \$31,050.00 figure may come down, but it will not all be billed at once as previously expected. A motion was made by Mr. Claussen to approve Requisition No. 24 in the amount of \$21,538.80; seconded by Ms. Plesac. All ayes; motion carried. (4-0)

**Staff Report** – Ms. Jacobson reported that she and Mr. Gralik have had several discussions with Baker Tilly regarding the City’s potential to apply for EDA grant funding, which included a phone call with an EDA representative last week to discuss the possibility of submitting a grant application to widen Colorado Street. She said staff had previously identified the extension of Northwind Parkway as a potential project to seek an EDA grant to help fund. However, due to some hurdles associated with that project, staff felt that it would be prudent to pursue funding for

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Colorado Street since it would have a significant impact in the area in terms of development and job growth. The EDA representative agreed that this would be a viable project as long as the City is able to demonstrate job creation of both new and existing businesses in the area. Mr. Claussen noted that one of the reasons for selecting a 2-lane bridge with a 4-lane substructure for the design of the Colorado Street overpass project (TRAX) was to allow the bridge deck to be expanded to four lanes in the future. He asked if the City would be required to expand the bridge to four lanes to accommodate a 4 or 5-lane roadway if grant funding is secured for the widening of Colorado Street. Mr. Gralik stated that he does not believe the intention is to build Colorado Street to be four or five lanes at this time. He said it would likely be widened to three lanes with the installation of curb, gutter, and drainage. Mr. Claussen said he is not a fan of 3-lane roads because the center turning lane tends to only be used improperly to pass other motorists. Mr. Gralik stated that staff can explore a 5-lane option. Mr. Claussen said he thinks the City should be as forward-thinking as possible to avoid spending millions of dollars on a project only to rebuild it again in the future. Mr. Gralik stated that he believes the 20-year traffic projection demonstrated a need for Colorado Street to be three lanes at that point, but he will double check those projections. He agreed with Mr. Clausen that the road should be built wider now if it is determined that the 20-projections are close, so that it will not need to be rebuilt by the next generation. Mr. Claussen recalled that there were similar discussions back when the first phase of the 61<sup>st</sup> Avenue project was complete 20 years ago. He said at that time, the City opted not to widen the road to five lanes, and now motorists are using the center lane to illegally pass because the road is not wide enough to support the volume of traffic in that corridor. He indicated that he does not want the same situation to occur on Colorado Street, especially considering the potential for development to the east, which will create increased vehicular traffic. He said he is in favor of widening Colorado Street, but he wants to ensure that it is done right the first time. Ms. Jacobson said she appreciates Mr. Claussen's input and staff will explore all options to determine the best approach.

Mr. Gralik reported that barricades have been placed along the sidewalk in front of Cagney's because some structural issues were discovered under the sidewalk in an old coal chute storage in this building. He said the concrete is cracked so badly that daylight can be seen through the sidewalk while in the storage basement during the day, and the entire building façade is being held up by four brick columns. He stated that several contractors who have inspected the area identified some foundation issues and declined to provide an estimate to do the work unless they had explicit instructions from a structural engineer. Mr. Gralik said he emailed the owners of Cagney's requesting a plan of action ahead of last week's Board of Works meeting, but they have not yet responded. He stated that structural inspection is not his area of expertise, so he will be contacting a structural engineer this morning to inspect the front foundation wall. Ms. Houck asked if it is safe for Cagney's to be open for operation. Mr. Gralik said the structural engineer will need to make that determination, but there is a possibility that the business may need to close until the work is complete if the structural engineer deems the building to be unsafe. He indicated that he was finally able to discuss the situation with one of the owners of Cagney's early last week after repeated attempts to contact them, but he has not heard back from him since then. He stated that the Board of Works directed him and Attorney McCarthy to send a letter to the owners and to arrange for an inspection by a structural engineer. Mr. Claussen asked how far the basement storage area extends under the sidewalk. Mr. Gralik said it extends out about six feet, which is about half the width of the sidewalk. Mr. Claussen asked who is financially

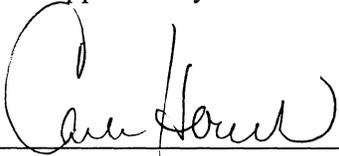
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responsible for these repairs. Mr. Gralik indicated that it is a gray area since the basement of the building is within the right-of-way of a public sidewalk. He stated that the steel that is holding up the sidewalk is rusted, and the sidewalk itself is cracked and settling. He said that in order to replace the sidewalk and keep the storage room, the sidewalk would essentially need to be built equivalent to a bridge deck to be able to support a fire truck in the event of a fire. He stated that he requested quotes from several contractors, but only received one which he forwarded to the building owners to help expedite the repair work. He said the Mayor may choose to pay for part of the sidewalk expense, but the building owners need to be the contract holders. Ms. Plesac asked if the City has a responsibility to cease operation knowing that the building is potentially unsafe. Mr. Gralik stressed that it is imperative for a structural engineer to inspect the foundation wall as soon as possible in order to determine whether or not the building is safe. Ms. Houck asked if the City can request that the business close until the structural engineer's findings are known. Mr. Gralik indicated that the City could potentially face litigation for loss of business if the structural engineer determines there is no threat to the public. Ms. Houck said she believes that the public should have the right to know that the building could potentially be structurally unsafe so they can make decision whether or not to enter.

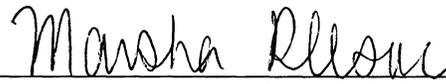
Adjournment - The meeting was adjourned at 9:17 a.m.

Minutes were prepared by Dawn Hostetler, Clerical Assistant to the Director of Development.

Minutes approved by the Hobart Redevelopment Commission on 10/18/21.



Carla Houck, President



Attest: MARSHA PLESAC, SECRETARY