

**Minutes of Meeting of  
Members of  
Mid-States Corridor Regional Development Authority**

May 3, 2019

**Call to Order**

Chairman Mark Schroeder called to order the meeting of the members of Mid-States Corridor Regional Development Authority ("Mid-States") at 4:05 P.M., EST, on May 3, 2019, in the Conference Room at the Offices of Bingham Greenebaum Doll LLP, 212 West 6<sup>th</sup> Street, Jasper, Indiana.

**Roll Call**

Chairman Mark Schroeder conducted a Roll Call.

Mark A. Schroeder	Present
Scott Blazey	Present
David Drake	Present
Sue Ellspermann	Via Teleconference
Ken Mulzer, Jr.	Absent

Others present: William J. Kaiser, Jr.,  
Legal Counsel

A quorum being present, the meeting was called to order by Mark Schroeder, Chairman.

**Approval of Minutes**

The first order of business was the approval of the February 1, 2019 and April 19, 2019 minutes. Upon motion made by Sue Ellspermann, and seconded by Scott Blazey, the following resolution was introduced:

**WHEREAS**, the Board has reviewed the February 1, 2019, and April 19, 2019 minutes of Mid-States.

**NOW, THEREFORE, BE IT RESOLVED**, that both the February 1, 2019, and April 19, 2019 minutes are hereby approved.

Chairman Schroeder then conducted a Roll Call vote to adopt the above resolution.

Mark Schroeder	Yes
Scott Blazey	Yes
Sue Ellspermann	Yes
David Drake	Yes
Ken Mulzer, Jr.	Absent

**Financial Report**

Treasurer Sue Ellspermann then reported to the Board as to the financial matters for Mid-States.

Chairman Schroeder also reviewed in summary the receipts and deposits identified in the few transactions that had occurred in the First Quarter for 2019.

After discussion, and upon motion made by David Drake, and seconded by Scott Blazey, the following resolution was introduced:

**RESOLVED**, that the Financial Report of Treasurer Sue Ellspermann is hereby accepted.

Chairman Schroeder then conducted a Roll Call vote to adopt the above resolution.

Mark Schroeder	Yes
Scott Blazey	Yes
Sue Ellspermann	Yes
David Drake	Yes
Ken Mulzer, Jr.	Absent

**Audit by LWG**

Chairman Schroeder then reported that LWG, the outside audit firm hired by the State of Indiana, has completed its financial audit of Mid-States' books and records. Chairman Schroeder then asked Mr. Kaiser to distribute copies of the bound audit report and opinion letter which were received from LWG, which he did.

At 4:15 P.M., Brian Cherry, CPA and Auditor with LWG, joined the meeting by teleconference.

Mr. Cherry then reviewed the audit report for the benefit of the Board members. Mr. Cherry also reviewed the concerns raised by LWG as to internal controls and material weaknesses with respect to internal controls. The Board then discussed with Mr. Cherry the potential corrective actions which Mid-States could take in order to address the internal control weaknesses identified by LWG.

Mr. Cherry then offered to review and discuss with greater detail with the Board the proposed corrective actions at the next quarterly meeting on August 2, 2019. The Board agreed to meet and discuss with Mr. Cherry as to the proposed corrective actions to be implemented.

Mr. Cherry then noted to the Board that it had timely received all financial information and answers to questions it had requested and that it had provided a clean, unmodified opinion as to the financial statements of Mid-States.

Thereafter, Mr. Cherry telephonically left the meeting.

**Update on Tier I EIS Contract Negotiations**

Chairman Schroeder then asked Mr. Kaiser to review, in summary form, the status of the contract negotiations between Mid-States, INDOT and Lochmueller Group.

Mr. Kaiser then reviewed the timeline that has been set to complete the negotiations for the Tier I EIS Contract. Mr. Kaiser reported that the Scoping Committee, a subcommittee tasked to negotiate the contract along with INDOT, did receive on April 30, 2019, the final proposed scoping documents from Lochmueller Group as well as the proposed cost spreadsheet with the approximate cost of \$6.8 Million. Mr. Kaiser and Chairman Schroeder explained that these documents are also being reviewed by the Contract Division of INDOT, both as to the sufficiency of the proposed scoping, as well as the proposed cost structure.

Mr. Kaiser identified that there was a subsequent meeting scheduled on May 14, 2019, with INDOT to review issues and concerns, if any, with respect to the scoping document and the cost spreadsheet. Subsequent to that, it is expected that a final contract would be completed on or about May 10, 2019, with appropriate signatures received on or about June 30, 2019. Chairman Schroeder asked that Mr. Kaiser forward the draft scoping document and underlying cost spreadsheet to the members of Mid-States for their review and information.

The Mid-States Board then discussed approval the need to authorize and provide Chairman Schroeder with the authority to make any necessary final approvals of the scoping document and underlying cost structure before execution of the contract between Lochmueller Group and INDOT.

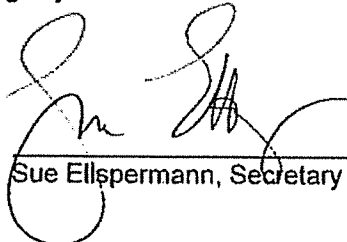
After discussion, and upon motion made by Sue Ellspermann, and seconded by David Drake, the following resolution was introduced.

**RESOLVED**, that Chairman Schroeder be authorized on behalf of Mid-States to provide any necessary approval required under the MOU with respect to the Tier I EIS Contract to be entered into between INDOT and Lochmueller Group, including scoping document and payment schedule.

Chairman Schroeder then conducted a Roll Call vote to adopt the above resolution.

Mark Schroeder	Yes
Scott Blazey	Yes
Sue Ellspermann	Yes
David Drake	Yes
Ken Mulzer, Jr.	Absent

There being no further business, the meeting adjourned at 5:16 P.M.

  
Sue Ellspermann, Secretary