

To: President and Members of the Munster Town Council

From: Wendy Mis, Clerk-Treasurer

Copy to: Patricia L. Abbott, Controller
Dustin Anderson, Town Manager

Date: January 9, 2023

Subject: Letter of Credit for the Grade Separation Project

Beginning in December of 2017, the U.S. Army Corps of Engineers (ACOE) required a Letter of Credit (LOC) from the Town of Munster to ensure that wetlands mitigation will be performed and performed properly in association with construction of the 45th Street underpass project.

On December 4, 2017, the Town Council approved the Clerk-Treasurer to execute documents for issuance of the Letter of Credit for \$ 150,000 regarding wetlands mitigation associated with the 45th Street underpass project, and to obligate the Town of Munster for fees payable to First Merchants Bank in connection with the Letter of Credit in the amount of \$ 3,000 annually.

The 2017 letter of credit expired on December 18, 2022. Upon review, it was determined the Letter of Credit will need to be renewed. Per Robinson Engineering, we met 7 of the 9 performance standards and the final target woody species cutting will be completed in the upcoming months. This is the only outstanding issue.

The amount of the letter of Credit was reduced from \$ 150,000 to \$ 75,000 as we are substantially compliant. First Merchants Bank will charge a quarterly fee of \$ 375.00 for the Letter of Credit as it is believed it will be short term in nature.

RECOMMENDED ACTION:

As part of the consent agenda, authorize the Clerk-Treasurer to execute documents for issuance of the Letter of Credit renewal regarding wetlands mitigation associated with the 45th Street underpass project, and to obligate the Town of Munster for fees payable to First Merchants Bank in connection with the Letter of Credit.