



City of  
**Waukegan**  
100 N. Martin Luther King Jr. Avenue  
Waukegan, Illinois 60085  
www.waukeganweb.net  
(847) 599-2500

**Robert G. Sabonjian, Mayor**  
**Wayne Motley, City Clerk**  
**Dr. John R. Schwab, Treasurer**

October 7, 2010

Mr. Bill Hunt  
Deputy Director, Lake County Planning, Building and Development Department  
West Winchester Road, Suite # 101  
Libertyville, IL 60048-1331

RE: Brownfield Grant Intergovernmental Agreement between City of Waukegan and Lake County–  
Waukegan Harbor Slip 3 Re-Use Plan

Dear Mr. Hunt:

The City of Waukegan is requesting an additional one year extension of the Intergovernmental Agreement dated October 31, 2008 to complete the Waukegan Harbor Slip 3 Re-Use Project as outlined in the City's Brownfield Grant Request dated August 29, 2008.

Since the award of the grant, significant progress has been made toward the completion of this project. In January 2009, the City obtained the necessary district court approvals as required by the settlement agreement regarding the Slip 3 containment cell. In July of 2009, the City received the USEPA and IEPA approvals for the proposed slip 3 modifications. Also in July, 2009, the Waukegan City Council authorized the solicitation for bids for the containment cell modifications.

Delays in completing the project have been caused by many factors, including, legal, regulatory, and fiscal issues. To date, the only remaining issue is the funding of the project. The City was close to starting construction of the project this past summer, when certain costs related to the disposal of the contaminated material began to escalate. Costs for excavation and other items rose beyond what the City had budgeted for the project. In an effort to reduce costs, site modifications, as well as alternative sites were discussed, with no agreement with Larsen Marine to date.

Currently, discussions are ongoing with Larsen Marine relating to increasing the participating costs of the project by Larsen Marine. This would in turn decrease the costs to the City, thereby making the project feasible.

If you have any questions regarding this request please call me at (847) 625-6827.

Sincerely,

Ron Laubach, P.E.  
City Engineer