

Citizen Audit Reveals possible \$2.3M in Planning Costs for \$1M Road Project in Alexandria, Indiana

Whistleblower connects financial irregularities to city-wide cover-up while residents demand answers over unsafe water and vanishing funds.

SUPPLEMENTAL AGREEMENT NO. 4

This supplemental agreement made and entered into this 1st day of April, 2024, by and between the City of Alexandria, Indiana, acting by and through its proper officials, hereinafter referred to as the "Local Public Agency" or "LPA", and Clark Dietz, Inc., Consulting Engineers, hereinafter referred to as the "Consultant".

WITNESSETH

WHEREAS, the Local Public Agency and the Consultant did, on October 25, 2010, enter into an Agreement for providing engineering services for the design and preparation of construction plans for proposed roadway improvements on Washington Street from Indiana Avenue to SR 9 (Des. No. 0100856) to be constructed in 2013, and

WHEREAS, the roadway improvements from Indiana Avenue to Pennsylvania Avenue (Phase 1), and from Wayne Street to Chestnut Street (Phase 2), have been constructed within this corridor in 2015, and

WHEREAS, the Local Public Agency and the Consultant did, on February 20, 2018, execute Supplemental Agreement No. 1 for additional services for the completion of the design and preparation of construction plans for the improvements of Washington Street from Chestnut Avenue to SR 9 (Phase 3, Des. No. 1800242), for the improvements of Washington Street from Curve Street to Wayne Street (Phase 4, Des. No. 1800243), and for the improvements of Washington Street from Pennsylvania Avenue to Curve Street (Phase 5, Des. No. 1800244), with estimated bid date for construction in 2021, and

WHEREAS, the project duration was extended to construction in 2024 in order to fit available funding. The additional three years has resulted in minor changes to the plans and additional coordination than was considered in the previous scope, and

WHEREAS, in order to provide for completion of these services it is necessary to amend and supplement the original Agreement by \$20,000.00.

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

- A. The original Contract is amended to provide for the additional design services and including additional field survey, design updates, quarterly reports, coordination with utilities & stakeholders and letting date revisions for Washington Street from Chestnut Avenue to SR 9 (Phase 3, Des. No. 1800242), for the improvements of Washington Street from Curve Street to Wayne Street (Phase 4, Des. No. 1800243), and for the improvements of Washington Street from Pennsylvania Avenue to Curve Street (Phase 5, Des. No. 1800244).
- B. Amount of Payment Section of Appendix D of the original Agreement is amended to read as follows:
 1. The total compensation for this Agreement shall not exceed \$968,420.00 unless approved in writing by the LOCAL PUBLIC AGENCY.

seems to be over **\$2.3 million in engineering and oversight costs** tied to a single half-mile road project on Washington Street in Alexandria, despite public records showing the actual road construction contract was awarded for just **\$1.05 million**. When asking Darcy VanErman specific questions regarding it, she says these numbers are wrong but NO AUDIT has been done or completed. Be reminded, INDOT says typically engineering/planning costs shouldn't exceed 6% of total construction costs. So it should have been 60 thousand.... Yet we are seeing possibly 2.3+ MILLION.

The project, funded in part through **INDOT and local utility accounts**, has raised red flags across the state after Clerk-Treasurer **Darcy VanErman** admitted no internal audit has been performed and could not confirm whether overlapping engineering contracts were counted once or multiple times.

"We found formal design contracts, three separate construction inspection contracts, and nearly \$700,000 in invoices billed to water, sewer, stormwater, and road funds," says **James Peters**, a local resident who compiled the report. "When you add it all up, they've spent over **twice as much on engineering** as they did on actual construction. That's not normal. That's not legal."

The findings come as Alexandria city council members Jeremy VanErman, Roger Cuneo, Wendi Goens, Donna Key-Kerr, John Burdsall, and Amy McCurry **deny any water safety issues**, even while **lab results confirm E. coli**, and citizens are demanding answers. All the while, silence from Mayor Todd Naselroad. Mark Caldwell, the water superintendent, when asked via a live video call if he received an email requesting chlorine logs, denies it live, yet James Peters confirms he not only sent the email but has now forwarded it to both the mayor and Darcy VanErman.

Peters asked the Indiana Department of Environmental Management (IDEM) direct yes-or-no questions at a public meeting but was cut short, spoken over, and denied answers.

"It's all starting to connect," Peters said. "The city has something to hide. And the state knows if the water spotlight stays on, the money trail will be next."

A full report has been compiled and may be submitted to the **State Board of Accounts, the Attorney General's Public Integrity Division, and the Indiana State Police**.

For now, Peters is preparing to launch a **series of public press campaigns and targeted outreach ads** to ensure the community knows what's happening.

"This isn't about politics. It's about truth. Our town is being bled dry, our infrastructure is falling apart, and nobody wants to answer for it." Well, we will let the whole world know until they all have to answer for it.

Live Video of City Council Meeting

<https://www.facebook.com/lisa.mullinssummers/videos/788768053820766>

<https://www.facebook.com/james.peters.7165331/posts/pfbid0ZhvgeHp3B7uiAMSatpPNH4YBcQtREhJicvaRhv8nqXDWdjiNjXbho6UURYCJDcdGI>

Full Dossier of Evidence

https://drive.google.com/drive/folders/1ihq9B-ulfq7QrVoY7YzmyldmD-HAs8Mk?usp=drive_link

Includes lab results, financial audits, videos, emails, screenshots, and full citizen testimony.



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Source : Concerned Citizens of Alexandria

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