



## **LNNLRCD Meeting Date: November 3, 2005 Time: 7:00PM**

### **I. Call to Order and Roll Call – Joe called the meeting to order at 7:00PM.**

<b>Board Members</b>	<b>Joe Olliges</b>	<b>-</b>	<b>President</b>
<b>Present:</b>	<b>Jerry Sellers</b>	<b>-</b>	<b>Vice President</b>
	<b>Bill Piper</b>	<b>-</b>	<b>Treasurer</b>
	<b>Dan Dummett</b>	<b>-</b>	<b>Member at Large</b>
	<b>Herb Hill</b>	<b>-</b>	<b>Secretary</b>

### **II. Pledge of Allegiance**

**III. Approval of Agenda:** Bill was scheduled to be 15 minutes late so Jerry motioned to change the order of the agenda to not do Bill's or the Treasurer's report until Bill arrives. Herb seconded the motion. The board approved the motion unanimously by roll-call vote. [11- 05-01]

**IV. Approval of Minutes:** Joe motioned to approve the October 6<sup>th</sup> minutes. Jerry seconded the motion. The board approved the motion unanimously by roll-call vote. [11-05-02]

**V. Treasurer's Report:** Moved to later in the meeting when Bill arrives.

### **VI. Board Member Reports**

#### **A. Joe Olliges –**

**1. Letter to Community regarding Non-Binding Referendum** – On October 22<sup>nd</sup>, Joe issued a letter to the community in response to the Non-Binding Referendum that the POA's mailed out to property owners. (See attachment 1)

#### **B. Herb Hill –**

**1. Chairs for LCC** – Herb said that many of the chairs are in need of repair or replacement. He purchased some white caps to try on a few of the chairs that had missing feet. He would like permission from the board to get some prices on chairs to replace the ones that are not repairable.

Jerry asked about the flooring that they are thinking about putting in to replace the carpeting and Herb said that whatever tile they decide to buy for flooring would have to be commercial grade. Joe said that when they replaced the carpet in the kitchen and by the coffee service area, they used a commercial grade tile from Menards.

Joe asked if they know the average amount of chairs that are used for an event at the LCC. Herb said that the fire code allows a maximum of 157 people with the tables and chairs in place. Joe asked Herb if he knew how many chairs they have and he said that he doesn't have a count of them yet because he is still in the process of eliminating the broken ones. Fortunately, Dixon Recycle will take them. He also wants to see how the caps hold up or whether those will need replacement as well. Joe asked if Herb could get brown caps and Sue Hill said that Don had tried some dark rubber caps, and they put black marks on the floor in the kitchen. Herb is going to finish going through the chairs to get rid of the broken ones, then he will get a count of the chairs and see where they are at.

#### **C. Bill Piper –**

**1. Treasurer's Report** – Bill went through the monthly report. The largest payment in October was made to Fehr Graham and Associates for engineering study. Joe asked how the water bill compared with previous bills under the old rate system Joe and Bill doesn't know how it compares. Joe asked Becky to compare the bills to ensure that they accurately reflect the amount of water used at the Lake Court Center.

Bill asked Becky to print out an itemized report of the items that were paid under the Repairs and Updates line item under which they spent \$4,600 this year. Jerry questioned what the \$4500 was spent on for the year under Silt Control and Dredging. Bill said that it was for the removal of the silt that was on the shore at the silt basin and the grading and seeding of the site. Dan asked about the port-a-potties and Joe said that they should only get one more bill this year for the port-a-potty at the campground during October. Joe motioned to approve the treasurer's report. Joe asked Becky to cancel one of the garbage cans at each of the beaches and the one at the campground. Joe motioned to approved the treasurer's report. Dan seconded the motion. Motion approved unanimously by roll-call vote. [11-05-02]

**2. LCC Rates & Charges Proposal** – Bill presented a report that he put together of the overhead expenses of the LCC and potential charges. He read the attorney's opinion on the rates and charges that the RCD should assess:

**“Rates and Charges for Lake Court Center**

A literal reading of the ILCS2105-11C would appear to require the board to establish rates and charges which at least defray all fixed maintenance and operating expenses. There is no Illinois case law or opinion of the Illinois Attorney General on this portion of the statute, however, a reasonable interpretation of the statute would be that such rates and charges are to defray only that portion of the fixed expenses associated with the use of the facility by non-governmental users, including private persons, clubs, owner's associations, private parties, not-for-profit associations, etc. You can determine what portion of the fixed expenses should be attributed to such non-governmental use of the facility and attempt to assess rates and charges to approximate only this portion of the expense. “

Bill then read off the numbers from the Lake Court Center Running Expenses of 2004 (See attachment 2) Joe said that it has always been in the statutes that the RCD is governed under, it has just always been overlooked. The new rates as Bill recommended, along with the other income that is already generated, would produce an income of about \$9,450; based on 2004 expenses, that still leaves them with a shortfall of about \$1,671. Sue Hill told Bill that the library and Senior Focus were funded by the Social Committee, which in turn is funded by both POA's, which give the social committee \$1,500 a year. Sue feels that the added expense of building rental fees would put them out of business.

Jerry said that the RCD has an obligation to follow the statute and that may mean that the social committee is going to have to pass their costs on by raising their fees for social events rather than saying that they can't continue on - the RCD can't continue to run the building the way that they are. Jerry said that, based upon rental fees in places like Lake Geneva, Lake Carroll, and Apple Canyon, \$100 is too low for the paid rentals. Bill said that they base their rental fees on parameters like number of hours, number of people, and whether the kitchen and dance floor are being utilized. He also felt that they should charge \$50 or \$75 for the association meetings, especially since they have their own buildings in which to hold their meetings.

The point was made that the building had been donated to the RCD by the POA's and Jerry said that if the POAs wanted the building back, then they could have it, but even if the POAs did take it back, Dan said that the cost to run the building would go right back to the property owners. Mr. Cantrell suggested that the board could do a reverse mortgage the LCC building to obtain the funds necessary to run the building. Joe said that can take out loans, but he doesn't see what good that would do, because they would still have to pay back the loan.

Joe suggested that the board members review the report that Bill did and come up with their own suggestions to bring to next month's meeting, where they can pass a final fee to make effective January 1, 2006. Jerry asked that copies be made for each of the board members of the packet that he gave Bill that showed the fee schedules from other lake communities.

**D. Jerry Sellers –**

**1. DPH Testing of Water Samples taken at Both Creek Entrances** – All of the samples that they took at both of the creek entrances failed for e-coli, which proves that e-coli contamination is coming from upstream of the lake. The DNR supplied Jerry with a map of the watershed of Lost Lake, which is about 10,000 acres. The map outlines all the property within the watershed and indicates whether it is corn or soybean fields, hay, grasslands, surface water, etc. This is beneficial since each type of

application of the land has its own unique ratios of how much water is absorbed. For example, there is a lot more runoff of water on a plowed field than a forest. He is also trying to compile a list of all the property owners within the watershed so that they could investigate cost sharing of stabilizing their shorelines or other ways to partner with them in trying to control the amount of silt entering the lake. A second motivation of generating the map will be the identification of all the RCD properties and their boundary lines. Although the RCD has the capacity to enforce the guidelines of properly maintained shorelines and fields of upstream property owners, they see it more as a cooperation between the property owners, especially ones like the Nature Conservancy District.

**2. No IDNR Lake Shocking This Year** – For the first time in 8 or 9 years, the IDNR will not be able to shock the lake this year. Jerry asked Lake Carroll if the RCD could lease their boat to do the shocking, but there are liability and charging issues and it doesn't look good.

**E. Dan Dummett –**

**1. Dam Maintenance Proposals** – Dan is still obtaining proposals for refacing the upstream side of the dam by putting in riprap of the appropriate size recommended by the state. It is a preventive measure that hasn't been done in 30 years and so needs to be done and may cost about \$20,000-25,000.

**VII. Employee Reports – No Reports**

**VIII. Old Business**

**A. LMC Update – No Report**

**B. Vending Machine Project Decision** – Joe said that he doesn't have a problem with Glenn proceeding with looking into the vending 2000 project.

If they did agree to have the machine put on RCD property, Herb preferred that it be a separate building at the end of the grassy lot of the LCC on the side next to the Cantrell property. He would want its roof and siding to match the décor of the LCC and it would have its own electric meter and heating and cooling system. The only expense that he can see that the RCD would incur would be snow plowing and mowing around it.

Mr. Cantrell asked what it was and Herb said that it would be a vending machine about 17' X 9'. John Mulholland asked how many vendors would be required to maintain the machine and Joe said that there would be one truck that would come to maintain the vending machine and it would be Glenn's responsibility to coordinate that. Jerry said that he has no problem if Glenn wants to proceed with looking into the project with the understanding that there would be no cost to the RCD. A guest suggested putting the unit in the building or up against the building and Dan said that the board is not in favor of that because it would take space out of the building that is being used for other purposes. Herb added that they wouldn't want to increase impact on the community center by putting it in or against the building.

Sue Hill asked if Glenn would be willing to pay the legal fees to draw up a contract for the venture and Jerry said he would have to. Jerry added that Glenn would probably be looking for a long-term lease from the RCD for the property that the machine would be on and the board would have to make it clear to him that the RCD's legal expenses for drawing up that lease would have to be paid by Glenn. Joe said that Glenn would have to also take into account that if some future development should take place, for example, at the corner of Flagg and Lowden Road, it may impact his investment. None of the board members are interested in going to Philadelphia with Glenn at this time.

**C. Herb –**

**1. Tree Trimming Bids** – Herb met with three contractors to obtain bids on the trimming and removal of tree branches at the campground sometime in December. There are a lot of dead branches that are starting to fall down and they have poison ivy growing in the trees. One bid was 35 trees for \$2,500, a second was for \$2,750 (no specific amt of trees listed) and another was for 52 trees for \$7,300. Herb contacted the contractor that bid \$7,300 and he was supposed to turn in another bid, however, Herb hasn't heard back from him. Dan asked how they are able to ensure that each contractor is quoting the same job and Herb said that he walked out there with each of them and showed them what needed to be done. Joe

asked Herb to get an accurate count on the amount of trees that the second company bid - tabled until next month.

**2. LCC Fire Safety Work** – Dixon rural fire department came out and inspected the LCC. The fire chief said that they need exit lights with a battery backup on the North exit, the library, in the hallway and at one other exit so that if the power goes out, they'll still have lights. Herb has one contractor who agreed to keep the costs under \$500 - Herb has already purchased all the materials for about \$200 so the job will cost about \$700 total so Herb is requesting approval from the board to spend another \$500 on labor. (They have about \$600 left from the money that was approved for the improvements that were done on the building last year). Dan motioned to approve spending up to \$500 on the electrical work required to put in the exit lights – per the fire department's recommendation. Joe seconded the motion. The board approved the motion unanimously by roll-call vote. [11-05-03] Herb said that the fire department also wants the doors replaced with fire safety doors that have labels on them that specify that they have a one hour fire rating, and automatic door closers, they also want the closet doors to have the same specifications because it is a furnace room to comply (the fire safety inspector said that he isn't telling Herb that he has to do these things immediately, he is just saying that they need to be done to comply with the national fire safety code. Herb told him that they would make the modifications as the funds became available to do it).

**3. Cantrell Ditch** – Dan asks about the depth of the ditch and how much dredging will be required to bring water into it. Cantrell said that the elevation is barely above water level now – the plans call for it to be dug out at least approximately 2 feet deep X 12 feet wide X 60 feet long. Mr. Cantrell said that what is in there now is a swamp from silt that has filled it in. He would like to dig it out, retain both sides attractively and let water flow into there. Dan asked what he would do with the silt that is removed, and he said that first, he would like to use some of it to build up the banks, second, level out the drainage swale that is in between the tennis courts and the parking lot to return it to its original design without affecting the drainage of it, and third, he'd like to put some of it on his property. (Jerry estimated that it would be about 53 cubic feet of silt taken out). Mr. Cantrell will be turning in a shoreline improvement form as soon as Becky gets him one. Joe motioned to approve the Cantrell Shoreline Improvement. Bill seconded the motion. The board approved the motion unanimously by roll-call vote. [11-05-04]

**IX. New Business - No New Business**

**X. Guests/Public Opinion**  
(Limit 10 minutes per guest/group. Please hold all comments until this time).

**XI. Adjourn:** Bill motioned to adjourn the November 3<sup>rd</sup> meeting at 8:50PM. Dan seconded the motion. The board approved the motion unanimously by roll-call vote. [11-05-05]

**XII. Executive Session: Acquisition**

**Next Scheduled Date: December 1, 2005**

**November 3, 2005 Motion List:**

1. Joe motioned to approve the October 6<sup>th</sup> minutes. Jerry seconded the motion. The board approved the motion unanimously by roll-call vote. [11-05-01]

2. Joe motioned to approved the treasurer's report. Dan seconded the motion. Motion approved unanimously by roll-call vote. [11-05-02]

3. Dan motioned to approve spending up to \$500 on the electrical work required to put in the exit lights – per the fire department's recommendation. Joe seconded the motion. The board approved the motion unanimously by roll-call vote. [11-05-03]

4. Joe motioned to approve the Cantrell Shoreline Improvement. Bill seconded the motion. The board approved the motion unanimously by roll-call vote. [11-05-04]

5. Bill motioned to adjourn the November 3<sup>rd</sup> meeting at 8:50PM. Dan seconded the motion. The board approved the motion unanimously by roll-call vote. [11-05-05]

Attachment 1

OCTOBER 22, 2005

ATTENTION ALL PROPERTY OWNERS:

YOU ARE RECEIVING A "NON BINDING REFERENDUM" DATED OCTOBER 20, 2005. THE LOST NATION NEW LANDING RIVER CONSERVANCY DISTRICT OF ILLINOIS (R.C.D.) HAS NEVER PUBLICLY OR OFFICIALLY STATED THEY "...WILL NOT CONSIDER THE PURCHASE OF THE UTILITY UNTIL ALL IMPROVEMENTS HAVE BEEN MADE."

WHOEVER AUTHORIZED THE NON-BINDING BALLOT IS TOTALLY WRONG. AT OUR LAST MONTHLY MEETING, I READ THE BOARD'S POSITION REGARDING THIS NON-BINDING REFERENDUM. I STATED THE FOLLOWING: "WE NEITHER WANT NOR FEEL THE NECESSITY OF BEING INCLUDED IN ANY REFERENDUM BY THE PROPERTY OWNERS' BOARDS."

FURTHER, THE R.C.D. HAS MADE NO STATEMENT AS TO ANY CONDITIONS UNDER WHICH IT WOULD CONSIDER PURCHASING THE UTILITY.

THEREFORE, THE R.C.D. HEREBY DEMANDS THAT ANY REFERENCE TO THE R.C.D. BE IMMEDIATELY STRICKEN FROM THE BALLOT AND OTHERWISE DEEMS THIS BALLOT ILLEGAL, NULL AND VOID.

THANK YOU ON BEHALF OF THE R.C.D. BOARD OF TRUSTEE'S.

JOE OLLIGES, R.C.D. BOARD PRESIDENT

## Attachment 2

A. Rates and charges for Lake Court Center: A literal reading of 70 ILCS 2105/11(c) would appear to require the Board to establish rates and charges "which at least defray all fixed maintenance, and operating expenses". There is no Illinois case law or opinions of the Illinois Attorney General on this portion of the statute. However, a reasonable interpretation of the statute would be that such rates and charges are to defray only that portion of the fixed expenses associated with the use of the facility by non-governmental users, including private persons and entities, such as clubs, Owner's Associations, private parties, not-for-profit associations, etc. You can determine what portion of your fixed expenses should be attributed to such non-governmental use of the facility and attempt to assess rates and charges to approximate only this portion of the expense.

### Lake Court Center 2004 Normal Overhead and Expenses

#### Expenses:

Gas and Electric	\$ (4,119.27)	
Water	\$ (700.00)	
Supplies	\$ (864.08)	
Wages	\$ (3,119.25)	
Liability Insurance	\$ (1,731.00)	
Workman's Comp	\$ (161.26)	
Garbage	\$ (430.00)	
<b>Total Expenses</b>		<b>\$(11,124.86)</b>

Paid Usage:	Qty	Was	Suggested	Income
Paid Rentals	28	\$50	\$100	\$2,800
Classes	10	\$10	\$25	\$ 250
Sub Total:				\$ 3,050

<b>Pop Machine:</b>	\$1573 - 640	\$ 933
<b>Sub Total</b>		<b>\$ 933</b>

Unpaid Usage:	Qty		Suggested	Income
RCD (Govt.)	23		0	0
POA's	17		\$25	\$ 425
Business Mtgs. , Services to the Community, and Social Functions				
Fish Club	14		\$25	\$ 350
Social	23	\$25		\$ 575
Library	147	\$10		\$1,470
Senior Focus	24		\$25	\$ 600
Cards, Dice	61		\$25	\$1,525
Misc.	21		\$25	525
<b>Sub Total</b>				<b>\$ 5,470</b>

**Total Income** **\$ 9,453**

**Net Income [ \$ (11,124.86) + \$9,453 ] =** **\$(1,671)**