

**KINKAID-REED'S CREEK CONSERVANCY DISTRICT  
BOARD OF TRUSTEES MEETING  
WEDNESDAY, September 09, 2020**

The Board of Trustees of the Kinkaid-Reed's Creek Conservancy District held its monthly meeting on Wednesday, September 09, 2020. President Steve McGriff called the meeting to order at 7:00 p.m. at the KC Hall, 606 Plum Street in Murphysboro, Illinois.

<b>ROLL CALL:</b>	Chuck Novara	Present
	Don Siefert	Present
	Ken Carr	Present
	Steve McGriff	Present
	Tony Mileur	Present
	Mike Barone	Present
	Dale Jones	Present

**Also, Present:** Manager Scott Wilmouth, Cathy Rothe, JT Jenkins, Ed Heller, Butch Cheatham, Brock Cheatham, Jack Huppert, Peter Hanson, Mike Rampley, Britney Dirnberger, Mark Dirnberger, Stephanie Alkan, Agan Alkan, Tim Roger, Tim Pohlman and Bobby Bower

**MINUTES:** Trustee Don Siefert made a motion to approve the minutes of the August 12, 2020 Board of Trustees meeting and the minutes of the August 17, 2020 Special Board of Trustees meeting. Trustee Chuck Novara seconded the motion.

Roll Call Vote:

Chuck Novara	Yes
Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

**PUBLIC COMMENT:** No public comment

**KINKAID-REED'S CREEK CONSERVANCY DISTRICT**

**OLD BUSINESS:**

**CONSERVANCY COMMITTEE'S REPORT:**

**Fish Management:** Manager Wilmouth reported Shawn Hirst drained 2 rearing ponds. He was able to stock 3,033 large mouth bass averaging 5.5 inches and 16,000 blacknose crappie averaging 4.6 inches into the lake.

**Fish Tournament Requests and Fish Tournament Regulations:** Nothing to report

**Deck/Shed Requests:** Nothing to report

**319 Update:** Manager Wilmouth reported ET Simmons started construction on the catch basin on August 31, 2020. They are almost finished and are about 350 tons over on the CA5 rock. Manager Wilmouth stated there is money left in the grant to cover the cost. Approximately 350 to 400 cubic yards of sediment was dredged upstream of the catch basin. Butch Cheatham of HMG and Manger Wilmouth are going to meet on Thursday, September 15, 2020 to review the grant to determine how much money is left.

**Marina/Campground:** President McGriff stated that the Board is going into Executive Session. Attorney Heller stated the Board is going into Executive Session under section 2C11 of the Open Meetings Act. Trustee Novara made a motion to go into Executive Session. Trustee Barone seconded the motion.

Roll Call Vote:

Chuck Novara	Yes
Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

Trustee Novara made a motion to resume regular session. Trustee Barone seconded the motion.

Roll Call Vote:

Chuck Novara	Yes
Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

President McGriff stated that he would like to entertain a motion that Kinkaid Reed's Creek District Board of Trustees declare the current Concession Agreement with DAR Kinkaid Investors, Inc., to be in serious default for the reason that without permission of the Board of Trustees, DAR Kinkaid Inc., has granted a security interest in the Concessionaire's assets, including all the infrastructure of the marina and campgrounds, together with all the campground site and marina slip rental contracts, to MRV Banks, and that the Board of Trustees grant DAR Kinkaid Investors, Inc., until the next regular meeting on October 14, 2020 to cure the serious default by securing the release of MRV Banks lien on the above described assets, after which, if the serious default be not cured, the Concession Agreements shall be revoked for cause and be null and void.

Mike Rampley stated that DAR Investors Inc., has the paperwork from MRV bank today. I have signed it and you should be receiving it from our lawyer as soon as he gets back, so that should be taken care of. Attorney Heller asked Mr. Rampley, what is that paperwork going to say? Attorney Matt Ferrell stated that he has talked to MRV Bank, both the lender and the President, they have no problem releasing them from their security agreement, anything that is included in the concession contract. I have shared the concession contract with them as well as the language as to what would need to be removed. I was told those documents would likely be ready before



today, I have not seen them yet, I am out of the office. They will be in your hands before the next Board meeting without a doubt. I fully expect this issue to be resolved in advance of the Board meeting. Mr. Rampley stated that MRV sent the paperwork to him this morning and he has signed them, I have brought them with me to the meeting to be signed and that should be taken care of.

Trustee Novara made a motion for the release of MRV Bank lien on the above describe assets by October 14, 2020 or the concession contract be null and void. Trustee Barone seconded the motion.

Roll Call Vote:

Chuck Novara	Yes
Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

**Concession Contracts:** Discussed above

**Watershed Management:** Nothing to report

**OSLAD Grant:** Manager Wilmouth reported in the Board packet are numbers for the campground, for the rent structure to the District created using numbers that Stephanie supplied to the District last year on the Ed Bottom campground, to come up with an estimated revenue. Manager Wilmouth stated that he would like to meet with the concessionaires to start talking about the OSLAD grant and try to come to an agreement.

**Concessionaire's Report:** Mr. Alkan reported that on the August 21<sup>st</sup> letter, there was a couple of items that needed immediate response. The bi-weekly campground inspections, we have starting using the drop box and how is that working out for you Scott? You should be getting emails on a regular basis. Manager Wilmouth replied, yes, it is working. Mr. Alkan stated to Manager Wilmouth if for any reason you are not receiving them, let me know. We have replaced a lot of the lights on the wave break. I have ordered more because the ones we didn't replace look horrible. They are 10-year lights. Manager Wilmouth state that Mr. Alkan sent a video on drop box showing that they were all working. Mr. Alkan stated that they have cleaned up the vegetation around the wave break and each dock. I took pictures from different angles. This will be an ongoing effort. They will always be something growing. We are going to clean the vegetation once a month. Mr. Alkan stated that he has a proposal for the sewer pump log out system. I will submit this to the Board. The only true way to track this is to keep it locked and create a system where they call us and we send a qualified person down there, every time, there will be pump out hours. So people come in at 10:00 in the night and some people come in at 4:00 in the morning. It will be reasonable hours, 7 days a week. There will be a fee for this, I will have somebody go down there, which might be helpful for the big vessels, they always need somebody to help them land. This is something we have talked about and if the Board see's that is reasonable, we can start this. If not, I am open for suggestions. On the fuel dock renovations, we have already spent \$30,000 renovating that fuel dock, we have removed a building that was ready to fall down, have 2 new dispensers, all the plumbing. I do want to do more. I added a second building, this was a secondary renovation. We will get this done. I have a third renovation coming up, it's going to cost about \$50,000 on top of what we have already done. That has to be done, because of neglect for years. I will give a report on that at a later time. I believe this covers this letter I have received.

**Manager's Report:** Manager Wilmouth reported that the District was able to get free mulch from Egyptian Electric, they were trimming trees in the area, to be placed around the playground equipment at the Glenn Schlimpert Recreation Area.

Manager Wilmouth reported the dove field was burned on August 25, 2020.

Manager Wilmouth reported that he received a quote to create a website. He spoke with North Pro Teck form Murphysboro and their quote was between \$500 and \$1000 to get a site up and running. It would be similar to the one that I use personally, it is easy to post items onto the website. If the Board is okay with that dollar amount, I will proceed with this. President McGriff stated that the Board has talked about wanting a website.

Manager Wilmouth reported that he was at the Port of Ava parking lot, where the dredge material is stored. That dirt is appearing to be good fertile soil. I have not been able to sell much, and I think the main reason is because we don't have any way to load the material for potential buyers. Everybody that wanted it, when I told them they would have to bring something to load it, it turned them away. Manager Wilmouth stated he is going to be looking around for something, reasonable that we can load trucks. If I can find something, I will come back to the Board. Trustee Barone stated that Manager Wilmouth might want to check with IDOT, that District 9 just got a bunch a new loaders.

**Lake Drawdown:** Manager Wilmouth stated that he would like permission to draw down the lake this fall. It's helping the water quality in the summer. We haven't had to do anything to our intake in the last 2 years. Trustee Carr made a motion to approve the lake draw down. Trustee Novara seconded the motion.

Roll Call Vote:

Chuck Novara	Yes
Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

**Survey at Johnson Creek Boat Launch:** Manager Wilmouth reported that now that the catch basin has been installed, I would like permission to survey the dredged area at the boat launch to determine depths now that it's been a year. Now that the structure is in, do it again in another year to see what the changes are. I would also like to survey the dredged area on the upstream side of the structure and get a baseline there and come back in a year or two to see how fast it is filling in, so we can determine when it's going to have to be dredged again. HMG gave the District a price of not to exceed \$1,500. Board approval is needed to proceed with that. Trustee Novara made a motion to have HMG conduct the survey. Trustee Mike Barone seconded the motion.

Roll Call Vote:

Chuck Novara	Yes
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Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

**New Business:**

**Legal Report – Ed Heller:** President McGriff asked Attorney Heller to give some background, as discussed earlier. Attorney Heller stated that for clarification, this issue of collateralization has always been in the contracts. The basis for this being in the contracts is so that the District can control who it's concession agreements are with as opposed to having these things collateralized, and all of a sudden the District finds that we have a concessionaire who is a lender, that we never bargained for. It's also because of the public nature of the situation. We have only one time in our history allowed any collateralization of infrastructure, that is when LeRoy McDonald was purchasing all new docks for the entire marina and we allowed him to collateralize that purchase with the dock manufacturer. Then that collateralization went away as soon as it was paid. Before DAR Investors Inc., came into the picture of wanting to be the concessionaires we had applications from Mr. Parsons and Mr. Peach. They understood they could not collateralize the concession assets. Mr. Peach was not able to obtain financing to make the purchase, in part because of that. Mr. Parsons was not approved for the contract for other reasons. The District sits here now, and you had our contracts before you purchased the contract from Mac. The language is in the old contract. The language is also in the contract negotiations that we specifically negotiated as the terms of the District approving your request to take over the concession contract. It's very clear in the contracts. I don't know why you guys did that. It is a very serious default. The Board has taken this action and if you get it cured, we can get on with other business. When we see your documentation with whatever it is you have done, we will be able to look at it then. I do notice that something was filed with the Illinois Secretary of State UCC Division on August 28, 2020. Do you know what that was? Mr. Rampley asked, filed by us or filed by our lawyer? Attorney Heller replied that he didn't know who filed it. Mr. Rampley asked, what was the nature of the filing? Attorney Heller replied, it's a UCC filing. I did not get it myself, my staff got it, they did not know how to go beyond that to get the actual document. They could just see that a new filing had occurred. I will know tomorrow morning. Attorney Matt Ferrell stated that he is not sure what the UCC filing is, it has not been provided to us. That would have been filed by the lender and not by myself or DAR Investors Inc., I'll get a copy of that, it may very well be a corrected UCC, I just don't know at this point. Attorney Heller stated this is the situation that we are in. If you guys have the paperwork straighten out, then we will be out if this situation.

**Kinkaid-Area Watershed Project:** Nothing to report

**USFS – Tim Pullam:** Manger Wilmouth stated that Tim Pullam was here to speak about the new Joint Chiefs proposal. Tim Pullam, District Ranger for the Shawnee National Forest stated that he wanted to start off by thanking the Board for many years of work that has improved soil conservation on the Shawnee National Forest in the Kinkaid Watershed. In particular about 5 years ago, a consortium of about 13 different partners put in a proposal with the USDA, a Joint Chiefs Landscape Restoration proposal. It ended up with NRCS and the Forest Service and also partner contribution, putting about



1.4 million dollars' worth of work into the watershed on soil conservation. A tremendous amount of good effort was obtained both on private land and on Forest Service land. What I wanted to talk to the Board about this evening is that we submitted a similar grant proposal last year and we were turned down for that. We have recently been informed that we have another opportunity to submit a proposal this fall. There is a consortium of a dozen or so partners again and a proposal will be ready in October. We are trying to identify what work we want to do. It will be similar to what was done in the past. Where NRCS would make available to private landowners through the Equip Program money to do soil conservation projects on private land. The Shawnee National Forest would identify places where we could do stream bank and gully stabilization, with efforts that would promote habitat for at risk species. A large focus of the grant is to reduce the risk of wildfires. This is a national program. The wildfires are in the news right now. There are communities that are at much more of a risk than our community, however, we do face some risk from that. A good bit of the money is going to come down through channels that are going to focus on wildfire risk reduction. We think we could use that money to do prescribed burning in the watershed and improve watershed conditions in soil, holding capacity of plants on forest floor, knowing the goals of the project are to reduce the risk of wildfires, to improve water quality and to improve habitat for at risk species. Partners that are currently working in the watershed we feel like the Kinkaid watershed is the place to put our efforts for this Joint Chiefs Proposal. I'm here tonight to mention that we are working on this and working quickly. I'm sorry that I don't have a visual to show you tonight. By your next Board meeting, there should be a proposal for you to look at. I asked Manager Wilmouth if he thought that this would be something that the Board would support. He said he thought that the Board would. One of the items we would like to utilize, is some of the data that is collected on the water quality of the lake. Over the years, it seems like some of the metrics around the water quality of the lake is improving. Some of that is attributable to efforts that have happened to the watershed in the past and we are pursuing those same sorts of projects we feel like it is a good indication of the success that past efforts have had and that our future efforts will have. I wanted to inform the Board that this effort is underway. We will be asking for additional USDA money for the watershed.

Manager Wilmouth stated to the Board that he has been putting some data together to put into that grant. Manager Wilmouth thanked Mr. Pullman on behalf of the Board for working with the District.

#### **FINANCE CHAIRMAN REPORT:**

##### **District Account Balances Approval:**

Secretary Mileur has reviewed and made a motion to approve the District Account Balances as of September 09, 2020. Trustee Carr seconded the motion.

Roll Call Vote:

Chuck Novara	Yes
Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

##### **District Budget vs. Actual Report Approval:**

Secretary Mileur made a motion to approve the current District Budget vs. Actual Report.  
Trustee Carr seconded the motion.

Roll Call Vote:

Chuck Novara	Yes
Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

**District Bills:**

Secretary Mileur made a motion that payment of the Conservancy District bills be approved. Trustee Carr seconded the motion.

Roll Call Vote:

Chuck Novara	Yes
Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

**KINKAID AREA WATER SYSTEM**

**OLD BUSINESS:**

**Legal Report – Ed Heller:** Attorney Heller reported

**Manager's Report:** Manager Wilmouth reported that he had the irrevocable line of credit for the Rural Economic Development Grant Loan Program for the electrical project at the Water Plant. It is here tonight for signatures. It is required if the District receives the loan.

**New Business:**

**Agreement with Bradshaw for Sludge Removal/Disposal:** Manager Wilmouth stated the contract is in your packet. It is the same contract as always. It did go up a tenth of a penny. Trustee Novara made a motion to approve the contract with Bradshaw for the removal and disposal of the sludge. Trustee Siefert seconded the motion.

Roll Call Vote:

Chuck Novara	Yes
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Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

**Tap Requests – None**

**FINANCE COMMITTEE:**

**Water System Account Balances Approval:**

Secretary Mileur has reviewed and made a motion to approve the Water System Account Balances as of September 09, 2020. Trustee Carr seconded the motion.

Roll Call Vote:

Chuck Novara	Yes
Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

**Water System Budget vs. Actual Report Approval:**

Secretary Mileur made a motion to approve the Water System Budget vs. Actual Report. Trustee Carr seconded the motion.

Roll Call Vote:

Chuck Novara	Yes
Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

**Approval of the Water System Bills:** Secretary Mileur made a motion to approve the Kinkaid Area Water System bills. Trustee Carr seconded this motion.

Roll Call Vote:

Chuck Novara	Yes
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Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried

**OTHER MATTERS TO DISCUSS:** Manager Wilmouth informed the Board that Josh Glodo passed away. His father, Steve Glodo was the engineer for the Water system for many years. Out of the memorial fund the District donated \$75.00 to an educational fund for Josh's daughter.

**ADJOURNMENT:**

President McGriff asked for a motion to adjournment until next month's regular Board meeting scheduled for October 14, 2020. Trustee Mileur made the motion to adjourn. Trustee Barone seconded the motion.

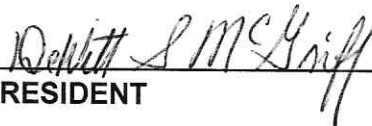
Roll Call Vote:

Chuck Novara	Yes
Don Siefert	Yes
Ken Carr	Yes
Steve McGriff	Yes
Tony Mileur	Yes
Mike Barone	Yes
Dale Jones	Yes

President McGriff declared the motion carried



SECRETARY



PRESIDENT