



Thursday, June 11, 2020, 6PM  
LNNLRCD Meeting

(HELD ONLINE THROUGH ZOOM)

**I. Call to Order, Roll Call and Pledge of Allegiance** – Bill called the meeting to order at 6:00 p.m.

**Board Members Present:** Bill Winebaugh – President; Andy Warcaba – VP;  
Jeff VanQuathem – Member at Large; Tyler VanKirk – Member at Large

**Board Members Absent:** Anthony O'Brien - Secretary

**II. Motion to Approve the Agenda** – Andy motioned to approve the agenda and Bill seconded the motion. The board approved the motion by roll-call vote. [06-20-01]

**III. Motion to Approve the 5/14/2020 Minutes** – Bill motioned to approve the 5/14/20 minutes and Andy seconded the motion. The board approved the motion by roll-call vote. [06-20-02]

**IV. Motion to Approve the Adjusted April Report and the May Treasurer's Report** – Bill asked about the adjusted April report and Becky said that she corrected the April report by taking out the fixed asset depreciation expenses of \$395.80 as they are not real dollar expenses. Tyler motioned to approve the adjusted April 2020 and May 2020 treasurer's report and Andy seconded the motion. The board approved the motion unanimously by roll-call vote. [06-20-03]

**V. Board Member Reports**

**A. Bill Winebaugh – Status on Public Use of Facilities** – The RCD public facilities such as the beaches, campground, and LCC are closed to the general public due to Covid-19 concerns and requirements while the lake is open for boating and fishing.

**B. Andy Warcaba**

**1. Scott Brown & Joe Rush – Dredging – Joe Rush** - Joe referred to a document from 2018 dredging bids (see attachment 1) to give them a ballpark of the costs associated with dredging. Using information from The Mapping Network in 2018, Phase 1 would involve Clear Creek (61,000 cubic yards) Schings Park (26,000 cubic yards) and the area of Phase 2 9.5-Acres (66,000-67,000 cubic yards). Joe showed the board a list of quoted contractor bids from 2018 with #1 the lowest cost and #5 the highest cost. Joe said that when they actually do the dredging, they won't be able to take every cubic yard out of the lake so they are looking to only take out 22,000 cubic yards from Schings Park, 53,000 from Clear Creek, and only 46,000 from Phase 2. The new numbers would cost about \$1 – 1.4 million for the two phases of the project with the first phase to cost about \$600,000 or so (not including the construction of the silt basin. Andy asked Scott Brown how much they pulled out of Schings Park in 2018 and Scott said that it was about 3,500 cubic yards – there was also rip-rap installed. Scott said that the hauling away part of the project was done for about \$5 a cubic yard (about \$17,500). Andy said that the reason he asked for the cost info for hauling the silt from Schings Park in 2018 was so that the rest of the board would get a perspective on a comparison of the amount that was at Schings park (3,500 cubic yards) and the estimated 75,400 cubic yards that they want to take out. Joe said that he gave those numbers so that John would have an idea of the amount they are going to need to pay for dredging and Andy said is it \$596,000 – 864,000 and Joe said, "Correct (for Phase 1)". Joe added that they can also base the amount that they dredge on what they can get a bond for so if they can't get the 600,000 then they could cut back the amount that they would dredge to stay under budget. Joe said that when you look at the cost of the removal of the silt from Schings Park, they used their own hired staff with one piece of rented equipment for the mechanical dredging portion of the job so there may be other costs involved that could drive that total cost. Andy asked if they could expect to start dredging in 7-8 months if they had the money and Joe said that that would be dependent on the pond. If the pond was permitted and constructed, they could get boots on the ground as long as the contractors aren't already booked out. Jeff said that the total cost of about \$860,000 is very close to their 5% of the EAV amount that they can borrow. John V. agreed, stating that using last year's numbers the amount was \$890,000.

**Scott Brown** – Scott referenced an aerial of the proposed silt basin site (see attachment 2) and detailed the construction of the three-stage pond silt basin. The total volume of the three ponds is about 75,000 cubic yards. 1<sup>st</sup> pond – 65,000 yd<sup>3</sup>; 2<sup>nd</sup> pond – 6,700 yd<sup>3</sup>; 3<sup>rd</sup> pond – 2,900 yd<sup>3</sup>. After the sediment has deposited from the effluent, the clean effluent will discharge through the culvert under Flagg Rd and eventually make its way back to Clear Creek. Andy asked about the schedule and Scott said that they are still working on getting the permits from the DNR and the EPA for the basin. They will also do some sampling to get the sediment density. They are hoping to be able to get the basin built this year. He said that he is apprehensive to give a timeline

because they are at the mercy of the schedules of the regulatory agencies and right now the staff is working from home and permitting timelines have been hampered. Andy asked if the basin could be constructed in the winter and Scott said as long as the soils are not in a condition where you have a lot of frost. They would be more likely to work in November and December but not in January and February when the ground is frozen. Andy asked how long it would take to construct and Scott estimated about 2 ½ to 3 months. As a part of a bid request, he'd like to specify an 8-10-week timeframe for a contractor to complete the work.

**2. Dredging Status Mailing to RCD Property Owners** – Andy designed a letter to be mailed out to the district property owners and he said that they are just waiting to see when restrictions can be loosened so that they can have an open house. Bill complimented Andy on the design of the letter. The cost for the mailing (for supplies and postage, not including manpower) would be around \$650. Tim said that as a public body; while social distancing requirements are good guidelines, they can't prohibit them from having a public meeting if needed. He added that if they have to have a meeting to inform their members, they are legally able to do that, although they should take as many safety precautions as they can such as requiring masks and maintaining social distancing. Bill asked Tim to provide him with that in writing.

**3. Bid Request for Dredging of South Flagg Rd Silt Basin** – In the past they've had the south Flagg Rd silt basin dredged for under \$2,500 and then dewatered and moved for another \$2,500. The contractor is no longer able to stay under that \$2,500 price and they also asked another contractor who said that same thing so they are going to need to go out to bid. Andy asked Scott and Joe if they could quantify the amount of silt that needs to be pulled out. Andy also asked Joe if it is something that he thinks should still be done and Joe said that historically, if they didn't take it out of the basin there, it is something that will end up in the lake. Joe said that he could provide contact info for a contractor who may be able to do the job. Scott said that he could help them get an estimate of the cubic yards of silt that they need to remove from there by calculating the surface area by the depth of the silt that they want to remove. Andy motioned to create a bid request to dredge the South Flagg Rd Silt Basin and Jeff seconded the motion. The board approved the motion unanimously by roll-call vote. [06-20-04]

### C. Anthony O'Brien - Absent

**D. Jeff VanQuathem – John Vezzetti – Dredging Financing** – John went through the two options of bond funding for the RCD. The first option is a public referendum and the next opportunity that the RCD would have to request a referendum be put on the ballot would be the next presidential election, which will be held November 3<sup>rd</sup>. The deadline to get info into the county clerk would be 90 days beforehand so sometime in August. Prior to that, the board would need to vote to approve a resolution to send the information to the county clerk so that they can get it on the November election. Based on the EAV, they can borrow around \$900,000. The other option that the RCD has would be the double-barrel bond which would use their existing tax funds to pay back the loan – with that, the RCD would have to figure out how much of the 140,000 that they receive from taxes they can unencumber to pay back the bond and they wouldn't have to go out for a referendum for it. For example, if the RCD can afford to budget \$40,000 a year to pay back the bond, they could borrow \$200,000. Andy asked what the referendum would involve and John said that everyone in the district would have an opportunity to vote yes or no on the RCD implementing a property tax that would be in effect for the next 20 years. Right now, the RCD levies 3 different items on the tax bill – this would be an additional tax item named "Bond and interest". Tim said that the board will want to consider how much to ask for on the referendum, whether it be to pay for all or part of the project because the voters may not give you "two bites of the apple" if you get through the referendum process once and don't have enough funds to finish (*the project*). Andy asked Joe how long after phase I would they have until they should proceed to phase II and Joe said that if they get the silt that has collected in the upper reaches that phase I covers, that would stop the silt from coming further into the lake. Based on that, Joe said that they could go quite awhile before they would have to do phase II. It would be good to get the silt out of phase II to keep it from traveling further to the dam, but he understands that it is all money-driven and that they should try to take the silt from wherever it is most ecologically beneficial. Joe said that if the contractors came in under budget, the RCD could apply some of the funds toward phase II as well and show the membership that they actually got more done for the money that the membership let you have. John estimated that a \$900,000 bond would raise the taxes of a property that is worth \$100,000 about \$100 a year for 20 years. Andy asked John to explain double-barrel bond a little more and he did so – he added that the RCD is unique in that their main revenue stream (and basically only revenue) is property taxes. Tim added that they would not have to normally go to get voter approval for the double-barrel bond although there is a mechanism referred to as a back-door referendum in which, if enough residents (10%) object to the RCD applying for the double-barrel bond, the residents could push that onto

the ballot, which is pretty rare. Andy asked if Tim would be involved in the paperwork for the bond issuance and Tim said that typically, the bond council prepares all of the ordinances to begin that issuance. Oftentimes they ask the local legal council for an opinion on the formation of the public body and what authority they have to do certain things. Tim asked John who they use and John said that one of the companies that Bernardi uses, IceMiller, are pretty economical and would fit in nicely. They are a specialized law firm who deals directly with municipal finance and municipal bonds and Tim would clearly play a big role in getting them the supporting documents that they need. Joe said that the RCD needs to do this dredging project to maintain the viability of the lake. If the RCD did decide to go for the referendum, when they work on their educational program, perhaps that's what they need to tell the public – that if they don't get this referendum passed, then the RCD will have to go to a program that will restrict their operation and they won't be able to offer the same things to the public that they currently offer and that they could continue to offer if the referendum did pass. Tim said that looking at it from an outsider's point of view, he is assuming that most people chose to live in Lost Lake to enjoy the lake and they should make sure that the lake remains in existence if they want to hang on to their home values and so to me, it would be worth \$100 - \$120 a year for them to maintain that home value. Tim said that if he were a board member, he would be looking at the referendum option more so than the double-barrel because of the \$140,000 that the RCD brings in a year, they are not banking \$100,000 of that; rather, they are using it to maintain the operations.

#### **E. Tyler VanKirk – No report**

**VI. Employee Reports – Shawn Parish – Goose Control** – They handled 8 eggs in 3 nests this year. Carp Fishing – Shawn Price is scheduled to be out Monday to fish for carp; Beaver Abatement – Shawn is in contact with Mark to Eden to help trap some beavers that are causing damage to trees around the lake. Shawn is going to get some info from Mark on what traps they need for the RCD to do it themselves.

#### **VII. Old Business**

**A. Status of Scheduling Open House** – still uncertain. Andy is going to find out from Tim whether they can have an open house as a part of their meeting with all the board members present and not have to record that portion of the meeting.

#### **VIII. New Business**

**A. Motion to Accept the FY2019-2020 Annual Financial Report and Publish it in Local Newspaper Within 30 Days** – Andy motioned to approve the FY2019-2020 Annual Financial Report and to publish it in the local newspaper within 30 days. Bill seconded the motion and the board approved the motion unanimously by roll-call vote. [06-20-05]

**B. Motion to Accept Tentative FY2020-2021 Budget & Appropriation Ordinance (Order to be filed for public inspection for 30 days)** – Andy motioned to approve the tentative FY2020-2021 Budget and Appropriation Ordinance and ordered it to be filed for public inspection for 30 days. Bill seconded the motion and the board approved the motion unanimously by roll-call vote. [06-20-06]

**C. Motion to Approve Resolution 02-2020 Calling Public Hearing on Budget & Appropriation Ordinance on July 16 (Notice of Hearing to be published in Local Newspaper at least one week Prior to Hearing)** - Bill motioned to approve resolution 02-2020 calling a public hearing on the budget and Appropriation Ordinance on July 16<sup>th</sup> with notice to be published at least one week prior to the hearing. Andy seconded the motion. The board approved the motion unanimously by roll-call vote. [06-02-07]

#### **IX. Guest Comments – no guest comments**

**X. Motion to Adjourn** – Andy motioned to adjourn the meeting at 7:32 p.m. and Bill seconded the motion. The board approved the motion unanimously by roll-call vote. [06-02-08]

**6/11/2020 Motion List**

1. Andy motioned to approve the agenda and Bill seconded the motion. The board approved the motion by roll-call vote. [06-20-01]
2. Bill motioned to approve the 5/14/20 minutes and Andy seconded the motion. The board approved the motion by roll-call vote. [06-20-02]
3. Tyler motioned to approve the adjusted April 2020 and May 2020 treasurer's report and Andy seconded the motion. The board approved the motion unanimously by roll-call vote. [06-20-03]
4. Andy motioned to create a bid request to dredge the South Flagg Rd Silt Basin and Jeff seconded the motion. The board approved the motion unanimously by roll-call vote. [06-20-04]
5. Andy motioned to approve the FY2019-2020 Annual Financial Report and to publish it in the local newspaper within 30 days. Bill seconded the motion and the board approved the motion unanimously by roll-call vote. [06-20-05]
6. Andy motioned to approve the tentative FY2020-2021 Budget and Appropriation Ordinance and ordered it to be filed for public inspection for 30 days. Bill seconded the motion and the board approved the motion unanimously by roll-call vote. [06-20-06]
7. Bill motioned to approve resolution 02-2020 calling a public hearing on the budget and Appropriation Ordinance on July 16<sup>th</sup> with notice to be published at least one week prior to the hearing. Andy seconded the motion. The board approved the motion unanimously by roll-call vote. [06-02-07]
8. Andy motioned to adjourn the meeting at 7:32 p.m. and Bill seconded the motion. The board approved the motion unanimously by roll-call vote. [06-02-08]

Attachment 1 (JadEco)

Dredging Bid Cost Summary - Past Project (1/18/18)												
Dredging Quantities Adjusted												
Bid Item	Dredging Quantity	Unit	Contractor 1		Contractor 2		Contractor 3		Contractor 4		Contractor 5	
			Unit Price	Total Price								
1. Mobilization and Demobilization (includes dredge and equipment, dredge pipeline installation, cleanup, etc.)	1	L.S.	\$126,000	\$126,000	\$248,642	\$248,642	\$147,378	\$147,378	\$350,000	\$350,000	\$173,520	\$173,520
2. Hydraulic Dredging - Total Base Bid Clear Creek: 53,200 cy Shing's Park: 22,200 cy Middle Lake: 45,970 cy	75,400	C.Y.	\$6.23	\$469,742	\$6.50	\$490,100	\$9.50	\$716,300	\$8.40	\$633,360.00	\$14.98	\$1,129,492
Total (Calculated): PHASE 1: Shing's Park + Clear Creek				\$595,742.00		\$738,742.00		\$863,678.00		\$983,360.00		\$1,303,012.00
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2. Hydraulic Dredging - Total Base Bid Clear Creek: 53,200 cy Shing's Park: 22,200 cy Middle Lake: 45,970 cy	45,970	C.Y.	\$6.23	\$286,393	\$6.50	\$298,805	\$9.50	\$436,715	\$8.40	\$386,148.00	\$14.98	\$688,631
Total (Calculated): PHASE 2: Middle Lake				\$412,393.10		\$547,447.00		\$584,093.00		\$736,148.00		\$862,150.60
Total (Calculated): Total Project Budget Estimates	121370			\$1,008,135		\$1,286,189		\$1,447,771		\$1,719,508		\$2,165,163

