



# LOST NATION-NEW LANDING RCD

## March 26, 2015

## Time: 6:00PM

**I. Call to Order** - Marty called the meeting to order at 6:10PM.

Members Present: Marty Portner – President  
Mike Swartz – Secretary  
Tim Spelde – Member at Large  
Jim Brown – Member at Large

Members Absent: Glenn Baldwin – Vice President

**II. Pledge of Allegiance**

**III. Motion to Approve the Agenda** – Tim motioned to approve the agenda and Jim seconded the motion. The board approved the motion unanimously by roll-call vote. [03-15-01]

**IV. Motion to Approve the 2/26/2015 Minutes - Tabled**

**V. Motion to Approve the Treasurer's Report** – Jim motioned to approve the Treasurer's report and Tim seconded the motion. The board approved the motion unanimously by roll-call vote. [03-15-02] Tim asked if they purchased a new computer and Marty said yes they did purchase a new Dell notebook for the office as the old computer was over 7 years old and running really slow. Marty tried using it as well and noticed the same thing.

**VI. New Business**

**A. Motion to Assign Board Position – Secretary** – Marty nominated Mike Swartz as Secretary and Jim seconded the motion. The board approved the motion unanimously by roll-call vote. [03-15-03]

**B. Lowering Lake April 1<sup>st</sup> for 30 days** – Back in the fall a property owner approached Marty to request that the RCD lower the lake at that time so that he (as a property owner) could repair his neighbor's shoreline. The board discussed it and decided not to lower the lake at that time and Marty told him that they may be taking down a layer of boards on April 1 to head off the spring rains. Tim said that he would rather see them lower it in the fall so that they can coordinate some mechanical dredging of the lake by Schings Park. Marty said that they didn't have a lot of snowmelt this year to contend with so he is comfortable with waiting until the fall as well. He'll tell the property owner that that is what they plan to do. Mike said that he'd like them to be more proactive in the summer about letting district property owners ahead of time when they are going to lower the lake so that they can make any repairs that they need to do.[]

**C. Motion to Have a Public Forum on Gas Motor Use on Lost Lake** - Wes Jaros approached Marty about the RCD allowing 4 stroke gas motors on the lake and Mike said that the three things that people who would not be in favor of gas motors on the lake would cite as concerns would be 1. Waves, 2. Noise, and 3. Environmental Effects on the lake and Mike would like to get some facts so that they could supply that to the public during the meeting. Marty said that he'd like to consider all sides of the issue and he's going to ask Wes Jaros to gather some information on what other lakes our size that are in the area do about it and he also asked him to set up a demonstration of the type of motor that they are talking about. The board agreed to hold the meeting on May 23<sup>rd</sup>. Tim said that they brought it up at the last fishing club meeting and on Facebook and they had about a 50/50 split Tim motioned to have a public forum on the gas motors on lost lake and Jim seconded the motion. The board approved the motion unanimously by roll-call vote. [03-15-04].

**VII. Director Reports**

**A. Marty Portner – ULLPOA Park Drive Park Mowing Agreement** – the POA sent a letter to the RCD requesting that they update the mowing contract that the past Lost Nation board had with the RCD and that they provide the POA with a 2 million liability policy. Mike said that he went to the POA meeting and they said that they want to see a certificate of insurance from the RCD's insurance company stating the POA as a holder for the property at Park Drive and he has not

had the chance to get back in touch with the insurance company to get that; however, when he talked to the agent last he said that she thought she could get that for them. Marty asked Mike to get the POA's insurance provider contact information since the RCD's insurance interest is going to be comingled with the POA's, he thinks that they need to know who their insurance carrier in case they have any questions. He tried to get that information from the POA this past week but was unsuccessful. Mike said he will try to get that information. Dave Shaw said that the POA just needs the name changed on the mowing agreement to update it.

**Security** – Marty met with Jack Skrogstat and asked him to prepare a synopsis of what the security team does for the RCD. Jack provided him with that information and he forwarded it on to the board members to review. The POA sent a letter to the RCD a couple of months ago asking them whether they would be interested in entering into a joint contract with the POA for security. Marty is going to send a correspondence to the POA letting them know if they are going to have security services and if so, when, how, and what they would budget to spend. Mike asked what a ball park figure was for the amount of security provided and the cost and Tim said about 30 hours for about \$550-600. Marty said that they should discuss it in the context of the budget for next year. Dave said that if the RCD doesn't have a security agreement on file, then the POA's security team cannot respond to incidents that occur on RCD property.

**B. Tim Spelde – Dredging** – Tim will have Becky follow up with Wendler on the silt survey and them designing a dredging plan.

**C. Jim Brown CCWP** – At the last CCWP meeting, Rebecca reported that obtaining any grant money for dredging didn't look good. There is a property owner that owns land with Babbling Brook running through it named Dewayne Fellows who said he was interested in participating in a program similar to what Ed did to stabilize the stream banks of his property through an EPA grant. When the EPA issued a grant, recipients have to match with either monetary contributions or in-kind labor. Jim said that if we were to go over budget on a grant funded project, that overage should still be documented because the state can bank that at the state level. Jim and the CCWP committee came up with the consensus that if don't have the money to do a full dredging program now, they should postpone the full dredging and get a grant to work on the Fellows' upstream property, during which they could even partner up with Nachusa, who is working on taking out tile on their properties, returning them back to surface drainage and turning them into wetlands. Pegasus is also doing some work that they may be able to coordinate with.

**LCC – Agreement w/ POA** – Jim did some research and found that ½ of the basic cost to manage the building (\$7,500) would cost dues paying POA property owners less than \$10 a year each and he said he doesn't understand why they are fighting over that amount. Jim read a letter that that he wrote as a potential solution to the problem (see attachment 1). Marty said that what Jim laid out in his letter is basically the framework that Steve Larry laid out last year and put a lot of physical and emotional energy into making it work; however, they could never get the POA to come to the table to talk to it. Marty stated that Jim is characterizing it as a fight, which he feels is a mischaracterization as the RCD is at war with nobody. They have tried their best to get the POA to agree to the 50/50 agreement that Jim talked about and they even sweetened the pot along the way by negotiating with themselves to get the figure down to \$6,000 for the POA. They came to an agreement with the POA president at the time, but he was not even given the opportunity to bring that agreement back to his board to put it to a vote. Marty said that he has hope because the timbre of the board has since changed and some of the members that didn't agree with that agreement aren't on the board anymore. He doesn't know what the support for this proposal would be now from the POA but he is hopeful that things are different than they are last year. Even though things changed last year, the RCD didn't want to cut the POA off completely from using the building so they came up with a rental agreement with a line item that would allow the POA to engage with the RCD specifically if they want to use the building on an ongoing basis for meetings and community events, they can call the office to set up a rental agreement for usage. That has been in effect since January 1<sup>st</sup>. Marty commended Jim for what he proposed and said that he likes it and there is no reason that they can't do it; however, it takes two to tango and they need the POA to agree to negotiate something like it. Jim said that he didn't look at it as a fight; rather he looked at it as an impasse and he thinks that they are hung up on the rent schedule. Jim said that neither the RCD nor the POA can look at the money in their coffers as their own; rather it is the taxpayers' and dues payers' money and they are just the stewards of it. Marty agreed and added that the POA can't look at money that they would give to the RCD to rent the building as throwing it out the window, instead it is a value proposition; moreover, that money would stay in the community family and come back as value to the community members in terms of maintaining the building and RCD properties. If they go somewhere else to

rent a facility for their meetings, it takes the money out of the community family. Jim thinks that the POA is centered on the rent schedule just for their meetings and Jim said that he is not just looking at their meetings, he is looking at the entire community being able to use the building. Marty agreed, stating that any negotiation that they would have with the POA would have to include usage by all the community because they can't ignore everyone else and only pay to use the building for their meetings. Tim said that they met with the POA last year and showed them a report of the general expenses to run the building and promised to budget for the upkeep of capital expenses such as the new roof that they put on last year and redoing the LCC parking lot and North Beach. Tim said that he doesn't see why the POA can't divide the cost evenly with the RCD for the basic maintenance of the building – he'd even be willing to have a board member from each side collectively voting on expenses to maintain the building if they want. Tim said that when he attended the POA meeting, he was under the impression that the POA would like to see the RCD present another proposal – he recommended that they dust off one of their prior proposals and update it, keeping the capital expenses out of it and present it to them. Carla Anderson said that they shouldn't send it by e-mail and Marty agreed that something like that would need to be sent in writing but he wasn't sure that the POA would be open to such a proposal and asked Jim and Tim what their feeling was on whether the POA was open to that and Jim said that at their meeting they requested that the RCD send a proposal to them for their attorney to review. Maureen Bronkema said that she got the impression that Mike Huber, the POA president, was not interested in anything. Dave Shaw said that he is not representing the POA but he sees that there is a lot of misunderstanding and two different stories. Right now the POA's position is that they will not do anything until the RCD responds to the letter that the POA sent to them in November and Dave asked the RCD to formally respond to that letter. Marty said that he did respond to the letter via an e-mail to Mike and Dave said that Mike does not correspond via e-mail and that they want it in writing. Marty said that the November letter refers to an offer made in May; however, Marty researched the RCD records and found no such offer from May to exist. An audience member asked why the POA and the RCD couldn't sit down together and work something out and Marty said that they did that last year, Steve Larry and Mike Robinson sat down and spent hours together trying to come to an agreement. Marty said that he would be willing to sit down at a table with Mike Huber and work out a negotiation. Dave said that the problem with that is that there are requirements for the RCD and the POA if they have public meetings so that they can't just meet over coffee somewhere; rather, they need to inform the public of a meeting. Carla said that they need to start over from scratch and there was a collective agreement among the audience. The audience continued to comment on the POA and RCD coming to an agreement to rent the LCC. Dave Shaw said that the POA is waiting for a response from the RCD, in writing, to either reject or accept the offer that they proposed in November and they won't do anything until they get that response. Marty said that there is no incentive for the RCD to accept the POA's offer if they are not going to include a contingency that also covers all of the property owners' public use of the facility, (not just for POA meetings). Barb Wiese asked the audience members if they would be willing to pay for their use of the building and Maureen said that she pays the POA dues and Barb said that there are 300 property owners and some of them don't care about the building and it would not be fair to them to have to pay for everyone to use the building. The audience continued to debate about the issue. Marty said that the argument could be made that why should people who don't live here pay for the road maintenance if they don't drive on the roads if they are going to use the argument that people who don't use the LCC shouldn't have to pay for it. He feels that it is a community center and that everyone should pay for the ability to use it. It would be a small amount per property owner – Maureen had estimated it was under \$10 a year per owner. Marty told Dave that he understands that the POA thinks that they made an offer back in May; however, even though the POA may have voted on something at their May meeting, nothing formal was actually presented to the RCD so the offer that is referred to in the November letter is not a valid offer. He said that the RCD has no record of an offer made in May so he recommends that the POA articulate an offer to the RCD so that they can respond. Dave said that the POA would like the RCD board to respond to the November letter. Betty Lou Finn said that she thinks that there are hard feelings because Glenn Baldwin came to the POA meeting in October of 2013 and the board felt that he was demanding that the POA pay \$10,000 or they were out. The board got prickly over that and she thinks that is what started it. Marty asked if Glenn actually threatened the POA in those words and Carla Anderson said no but that it was felt. Marty stated that Glenn didn't actually threaten the POA; rather, Carla is stating that they inferred the threat from what he said. Marty said that he didn't hear about an inferred threat until months after that meeting and he wondered why the POA didn't address it immediately. Dave said obviously, something happened last year that caused people to get upset but that none of that matters anymore. They should throw all of that out and start over. Marty said that he agreed and added that they should throw out the November letter as well. Dave disagreed. Marty said that the board will review the letter and have a response for them. Mike said that in going to the POA meeting on Saturday and this meeting, he learned that the more people who attend the meetings and get their

view across, the better and he encouraged them to continue on until they get what they want because their input will better the outcome. Marty said that as a governmental body, they have to follow the state statute that says that if they are going to operate a rental facility such as this one, the cost to operate the facility has to be defrayed. Marty thinks that 50% would be a good number but added that that is just what he thinks. They have to follow, if not the letter than the spirit of that law. That is at the epicenter of this whole thing – if they didn't have to follow that law, they could just keep doing what they were doing before they became cognizant of the fact that they need to follow that law. Someone asked how long the law has been in effect and Marty said that back in 2005, the board at the time knew of the law and tried to address it (so it is at least that old). Some of the current board members didn't know of the law until recently. Board members change and new board members have to be updated on the standards – there have been a lot of board members since then. Carla said that it sounds like the POA is willing to do something but the RCD needs to answer the letter to get them to move forward. Dave Shaw said that the statute says that the costs have to be defrayed but it doesn't specify an amount. The state is allowing them to be tax exempt as long as they meet that statute by collecting those fees. The interpretation of how much is one of the arguing points. Dan Nicolini said that past RCD presidents brought it up but never did anything about it to the extent that Marty is doing to go according to the law. Maureen said that this started way before Marty became president of the board – she remembers Jerry Sellers starting it. Marty said that everyone on the board will look at the letter and they will respond to it. Betty Lou said that they need to give a hand to all of people who have volunteered on both the POA and RCD boards. Mike said that in the short time that he has been here, he doesn't understand why they can't just pick up the phone and clarify things. He would like to see the community open up more and be more encouraging to people who would like to buy or build here. Dan asks if the meeting date and time was going to stay consistent and Marty said yes. Barb Wiese said that she doesn't think that the POA is wanting users to pay ½ but she would like to see people that are heavily using the building to pay something toward it. Barb said that initially Glenn had said that the building was going to need a new roof and wondered if the POA would pay toward it and Barb thinks that at that time, the whole board would have been in favor of paying for ½ of the roof. But then Glenn came to them a couple of months later and asked the POA for \$10,000 annually to cover ½ the cost to maintain the building and that is when things went bad. Marty asked if Barb was offended by Glenn asking for the money and Barb said she wasn't offended, just surprised because the POA board had expected the RCD to ask for help with the roof but did not expect the RCD would ask for money from the POA annually forever. Jim said that he would propose that the RCD and POA would go into a partnership where the RCD would budget the cost to maintain the building and would ask the POA, thru dues, to pay \$7,500, about ½ the cost to maintain the building, so that the whole community can use the building like it did before with no rental fees, and the RCD would still meet the statute. This would cost each of the property owners about \$9.62 a year in dues. Marty is waiting for the POA to call him and negotiate a rental agreement. Dave Shaw said that the POA board would ask the community if they feel that they should enter into an agreement with the RCD to pay an amount toward use of the building for everyone in the community. It would be a line item on the budget if that is what the community wants the POA to do.

#### **D. Mike Swartz – No Report**

#### **VIII. Guest Comments**

**Carla Anderson – Tours of Babbling Brook Project** – Carla asked if the RCD would be looking at giving a public tour of the Babbling Brook project that was done last year and Tim said yes, they need to bring that back up.

**IX. Motion to Adjourn** – Mike motioned to adjourn the meeting at and Tim seconded the motion. The board approved the motion unanimously by roll-call vote. [03-15-05]

#### March 26, 2015 Motion List

1. Tim motioned to approve the agenda and Jim seconded the motion. The board approved the motion unanimously by roll-call vote. [03-15-01]
2. Jim motioned to approve the Treasurer's report and Tim seconded the motion. The board approved the motion unanimously by roll-call vote. [03-15-02]

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3. Marty nominated Mike Swartz as Secretary and Jim seconded the motion. The board approved the motion unanimously by roll-call vote. [03-15-03]
4. Tim motioned to have a public forum on the gas motors on lost lake and Jim seconded the motion. The board approved the motion unanimously by roll-call vote. [03-15-04].
5. Mike motioned to adjourn the meeting at and Tim seconded the motion. The board approved the motion unanimously by roll-call vote. [03-15-05]

## **Attachment 1**

February 26, 2015

### **COMMUNITY CENTER POSSIBILITIES**

**OPEN MIND:** A new approach is called for if we are to break the impasse that has evolved over the control and usage of the Community Center. For this to move forward anyone who wants to join the discussion must forget personal agendas and past conflicts or be willing to stand aside.

**OWNERSHIP:** The RCD, as a tax exempt entity, holds legal title to the Center real estate. The POA has until recently assumed operational control. The beneficial ownership is held by the Lost Lake property owners as the tax and dues paying users of the facilities.

**STEWARDSHIP:** While it does not own our lake, the RCD is charged with preserving and improving it, and maintaining any other physical assets that they do own. The POA is responsible for governing the community and maintaining assets that it owns. Both are only stewards of monies collected through dues and assessments or taxes.

**PARTNERSHIP:** Treat the operation and availability of the Center as a partnership between the RCD and POA with decisions made jointly by one assigned non-officer board member from each organization with approval of both boards.

**FUNDING:** Decide annually on expected Center operation and maintenance costs to be jointly budgeted. Split that amount between the POA to be added to dues and the RCD to be collected from taxes. Both amounts would be held in dedicated funds along with any revenue generated from outside group rental.

**MAINTAINENCE:** Regular maintenance and repairs would be paid 50/50 from both funds.

**IMPROVEMENTS:** Major improvements would be either planned and budgeted for the next year or if needed immediately, covered by short term financing.

**USAGE:** All established and recognized groups (RCD, POA, Social Groups, Clubs, Library, etc.) having historically shared the building should continue to do so at no charge. Their members already pay for its existence and they are why it is here.

Jim Brown, RCD board member