

**Jo-Carroll Depot Local Redevelopment Authority
Meeting Minutes
3:00 p.m., Wednesday, February 6, 2019**

- I. Call to Order** – The meeting was called to order at 3:08 pm by Chairman Steve Keeffer on Wednesday, February 6, 2019 at the Jo-Carroll Depot LRA Conference Room, 18901 B Street, Savanna, Illinois.

- 2. Roll Call** was answered as follows: Present – Don Crawford, Paul Hartman, Steve Keeffer, Kevin Reibel and Bill Wright. Absent: Bill McFadden, Bill Robinson and Ron Smith. Attorney Phil Jensen, participating by phone. Staff present: Mara Roche. Guests present: Scott Lombardo (Savanna Stable LLC), Amiee Martelle (Riverport Railroad), Mark Roach (Depot Electric Supply)

- 3. Pledge of Allegiance** was recited

- 4. Agenda Additions** - none

- 5. Approval of Meeting Minutes** – **A motion was made by Kevin Reibel, seconded by Don Crawford to approve the December 5, 2018 minutes as presented. The motion passed by voice vote.**

- 6. Old Business**
 - A. Grant Update – A copy of the request for time-only extension was submitted in December. The request for extension is through April 30, 2019.
Grant language for the Reuse Plan for USFWS 5 parcel has been updated into a phased approach again and is submitted. It also includes support for the transition planning.

- 7. New Business**
 - A. Bills over \$2,500 - **A motion was made by Bill Wright, seconded by Paul Hartman to approve 2 bills over \$2,500: Broadmoor Agency, Professional Liability Renewal for \$3,416 and R&R Lawncare, plowing and spreading 1/13/2019 thru 2/1/2019 for \$2,883.20** It was noted the Professional Liability Renewal rate last year was \$3,576 vs \$3,416 for this year.

 - B. 2019 Water/Sewer Rates Review – The board was presented with the current rates and rates with a 5% increase as has been implemented the past several years. This would equal an \$11-12 increase per user per quarter. The board discussed the fact that our rates are fairly close to the Savanna commercial rates. **A motion**

was made by Paul Hartman, seconded by Kevin Reibel to table the water/sewer rate adjustments for 6 months. Motion passed by voice vote.

C. Staff Reports

1. Executive Director

a. Report/issues updates-

Based on some of the Short Term recommendations out of the Updated Reuse Plan, we are moving forward with the RFP to solicit developers. Another item we need to discuss: The moratorium does provide the opportunity to lease vacant land, short term. We will need to come up with a per acre lease rate for advertisement and Lisa McCarthy will need this to move forward with the marketing as well. There really aren't industrial lease rates for bare ground in the area to compare to, but based on other projects the rate seems to be between \$250 and \$1,000 per acre.

Don Crawford stated he understood why we had the moratorium against land sales while they were working on the plan, but now that it is complete why don't we want to sell land? If we have a bunch of property to sell why would we tell someone "No" if they want to buy it?

Chairman Keeffer stated if our goal is to create jobs then we shouldn't just sell it to sell it.

Mrs. Roche stated that the recommendation from the Updated Reuse Plan is to continue on with the Moratorium until the Reuse Plan is completed for USFWFS 5. We are moving on to the marketing mode now. The property has been pretty chopped up already and we only have around 400 acres left to be able to offer to a developer. If we have a vision of following our plans and looking for a developer you really need to keep that land for development.

It was questioned whether we would get a lessor for a term of one year, especially if it was ag related. Not likely but we do need to set a price for advertisement.

A motion was made by Bill Wright, seconded by Paul Hartman to set a lease rate of \$500 per acre, per year on LRA vacant land. Motion passed by voice vote.

Scott Lombardo questioned why we didn't think the property could be used for Ag? Chairman Keeffer replied that anything in the industrial park area would require consultation with IDNR due to a threatened species. Which could be a timely process and pay for a plan and do an incidental take. He questioned if it would be the same for industrial hemp? Likely, just need to go through the process which could be timely. Riverport stated they had to do the same when installing track in the industrial park. Scott questioned whether the LRA would waive rent while someone was in the process. Chairman Keeffer stated he wouldn't see why we couldn't consider that.

b. Correspondence- Letter of Support for Savanna Stables – Industrial Hemp and Solar Project: Scott Lombardo is asking for a Letter of Endorsement from the LRA for an Industrial Hemp and a 2MW Solar Project on his property. Board member Bill Wright asked what the market was for industrial hemp. Mr. Lombardo responded that there are uses for industrial hemp in at least 25,000 different products. The market is quickly developing, Kentucky is the leading state in Industrial Hemp. **A motion was made by Don Crawford, seconded by Paul Hartman to endorse the Industrial Hemp and Solar project Savanna Stable is working on. Motion was carried by voice vote.**

c. Property transfers – No updates

d. Employment report – January numbers were at 98

2. Bookkeeper

a. Bank account balances as of the beginning of the month are: \$1,037,786.49

b. CD Transfers – we had a \$166k CD come due on 1/10 at Milledgeville State Bank. We rolled it over at a rate of 2.21% The next CD comes due on March 22nd at the State Bank of Pearl City with a current balance of \$120,909.11

c. Cash flow: Income for the month of January was \$2,915.65. Expenses for the month were: \$20,627.96 for a monthly loss of: - \$-17,712.31

d. Budget update: Income for this FY is at \$124,730.84. Expenses for the FY are \$36,446.38 for a yearly gain of \$88,284.46

e. Water/Sewer Income vs. Expenses: Income for the month of January: \$2,338.02 Expenses for the month of January: \$5,342.17 for a monthly loss of \$3,004.15 FY Income: \$4,199.66 Expense: \$9,923.49 FY loss of \$-5,723.83

f. Outstanding Invoices - overdue water/sewer bills: Camille Rangel, Inserv, KaChing, Kristen Armstrong, Washington Township

D. Board of Directors Reports

1. Foreign Trade Zone #271- no meeting
2. Jo-Carroll Enterprise Zone – no meeting
3. Other directors' reports-

E. Attorney's Report:

- Building 9 Agreement - Attorney Jensen worked with the Potempas on an agreement for a lease/purchase of building 9. An installment agreement was completed and signed by the Potempas on January 25th.
- C Street Easement – Attorney Jensen has included a legal description for the easement that was provided on the Bluebird

Court Plat. The Roach's will review. Once signed the document can be filed.

F. Other new business - none

8. Reports to the Board

A. Site Manager / BRAC Environmental Coordinator – No update

B. Tenants - Mark Roach wanted to comment on the results as of the acquisition of building 10 by the Upper Mississippi River International Port District: He did pull the tax deed and wanted to reiterate that they don't pay taxes on any property they acquire. That pulled about \$1,200 out of the tax rolls for Carroll County. The largest hit is to the West Carroll schools, about \$900. As well as your township, library and other essential facilities that we have. That should be something of concern when you ask questions in regards to the county taking the roads, depending on development. I would think that if more property is acquired that does not allow taxable revenue to come back and help support those facilities it could be an issue. It would be a no-brainer why maybe the township or the county wouldn't want to take care of roads if they aren't getting revenue from it. It is concerning if more property is transferred to the UMRIPD and no revenue is able to be generated to help support the county and tax payers of the county. The portion being pulled from the schools from the purchase of building 10 equates to about 1,800 text books per year.

Scott Lombardo asked what the longest term of the land lease might be. Chairman Keeffer stated a 1 year lease was discussed but if it is a project like Industrial Hemp it might need a bit longer. We would have to look at each project as it comes in. Scott also asked Amiee with Riverport Railroad if they would have property that might be available for the Industrial Hemp use Amiee responded that she wasn't sure with the FRA loan involved.

C. UMRI Port District – JOINT LRA/PORT MEETING: Mrs. Roche reported that the committee has held 2 meetings in January. At the first meeting on January 8th Attorney Jensen presented an outline for merger/success discussions. At the second meeting on January 15th the discussion focused on cooperation between the parties. It also focused on the water/sewer system. The UMRIPD would like to have Sharon Pepin attend the next joint committee meeting to discuss what kind of funds the UMRIPD would have access to as a municipality vs a private entity. Chairman Keeffer stated we focused on cooperation because legally merger wasn't going to work due to our need to remain until the Army has completed clean up due to our Memorandum of Agreement. There are other things that we can do to work together as they are our logical successor. It is just a matter of when and how. Paul Hartman commented that in regards to capital improvement and the discussion around water/sewer suggesting the LRA should go on record stating the Port Authority should enter in to discussions with Riverport directly regarding potentially taking over the water/sewer system from them as the LRA already has an agreement

with them. We meet once a month and eventually a year passes and nothing has happened because of the discussions surrounding the water/sewer system. They have to be in control of the system to even get a grant and right now, that agreement lies with Riverport. Chairman Keeffer agreed with what Mr. Hartman was saying, but questioned whether it is something we need to push? I think we need to hear from Sharon Pepin, as they proposed, to see what would be available as far as water/sewer funding if they had ownership of the system. Scott Lombardo questioned whether existing users could be offered a cash settlement to waive connection at such time as Riverport or Port Authority elected to shut down the systems. Might this be considered? Paul Hartman stressed that without water and sewer there is no development. Mark Roach stated what about natural gas, I thought without gas we weren't going to get industry as well? If all these factors don't come together? If it comes to the point they want to make it a Lake Carroll by putting special assessments on the 20 users for the operating costs of that. I would be the first one to ask to get out of it and say can I put my own well and septic in at my cost. I think the county would say yes, but the issue is the health department. If certain sections of the systems could be shut down to allow a property owner to become in excess of 300-500 foot of a public system, then there are provisions for one to install their own well and septic. It seems a lot of the ideas that the port is coming in with emulate some of these private developments. It would be great if the revenue would come in to support it from the real estate taxes that has made Lanark school such a solid school. But in the absence of that real estate revenue, you guys are trying to sell and give property to developers. I find it hard to believe the port is going to be able to lease property. If you can't give it away for developers, how do you expect them to generate their revenue by leasing it. It is confusing and a big concern. Chairman Keeffer stated the next Joint Meeting was scheduled for February 19th at 3:00. He also stated this is going to take awhile. Paul Hartman stated we need to look at them having the negotiations with Riverport on the water/sewer systems.

D. USFWS – In response to an email from the USFWS regarding the failure of the LRA's consultant to obtain a permit for the Benthic Study performed this past summer, the sub-consultant provided a response along with a letter from the USFWS that provided permission to perform the study. The sub-consultant also stated that they have performed many studies in this area and have never been prompted to get a special use permit. It seems the email from USFWS is in part due to the fact that they feel like there were not asked to be involved. There seems to be a thought that we have performed a full fledged Barge Feasibility Study, this was strictly a Market Analysis for a potential facility. We first needed to see if the market was here to even consider barge and then looked at the benthic study for 3 potential locations to determine the least amount of disturbance and/or mitigation. It has been iterated for many years by USFWS that if a facility was to be looked at a study would need to be completed. This was to report the preliminary findings to determine whether to move forward. Additional in depth studies will be required, as

stated in the report. The more in depth study will come with the reuse plan for USFWS parcel 5. Ed Britton has stated he and his boss will attend the March board meeting to discuss the issue. The LRA's consultants and legal will be at this meeting as well. Mark Roach stated that he thought there was language in the MOA and Intergovernmental Agreement that are very clear on how to handle these species. So not only was it a violation with USFWS, it also could be a violation with the MOA agreement between the LRA and the Army.

E. Water/Sewer Operator Update- Tim did get the hydrant in the G Area replaced. It was previously knocked over by a truck and then stolen.

F. Guests - None

9. Public Comments - The next LRA Board meeting will be rescheduled to March 13, 2019 to accommodate our consultants traveling in to have discussions with USFWS.

10. Executive Session as permitted for the following under: No Executive Session

5 ILCS 120/2 (c) (6) The setting of a price for sale or lease of property owned by the public body.

11. Motions from Executive Session, if any: No Executive Session

12. Adjournment – Paul Hartman made a motion, seconded by Bill Wright to adjourn the meeting at 4:07 pm. Motion carried by voice vote.