

**Jo-Carroll Depot Local Redevelopment Authority
Meeting Minutes
3:00 p.m., Wednesday, July 10, 2019**

I. Call to Order – The meeting was called to order at 3:00 pm by Chairman Steve Keeffer on Wednesday, July 10, 2019 at the Jo-Carroll Depot LRA Conference Room, 18901 B Street, Savanna, Illinois.

2. Roll Call was answered as follows: Members Present – Don Crawford, Steve Keeffer, Bill Robinson, Bill Wright, Bill McFadden. Members Absent: Paul Hartman, Kevin Reibel and Ron Smith. Staff present: Mara Roche, Rob Davies. Attorney present: Phil Jensen. Guests present: Amiee Martelle, Riverport Railroad; Tim Schoenig; Debbie Boden, NWILED; Emily Legal, NWILED; Scott Lombardo; Ed Martin, Midwest 3PL; Hendrica Rodriguez, Jo Daviess County Board Member

3. Pledge of Allegiance was recited

4. Agenda Additions - none

5. Approval of Meeting Minutes – A motion was made by Bill Robinson, seconded by Don Crawford to approve the June 5, 2019 minutes as presented. The motion passed by voice vote.

6. Old Business

A. Grant Update –

Grant closeout activities are underway for the first grant along with a final request for reimbursement of around \$40k.

The grant application for funds for reuse planning efforts for Parcel 20 has been approved and was awarded last week. There is a special provision in the grant that states the grant period for parcel 20 is from April 1, 2019 – September 30, 2020. Which means any eligible costs incurred between April 1, 2019 and when the award was signed are reimbursable. This will mean we can be reimbursed for the expenses for the Deputy Director from his start date and also be reimbursed for the registration and travel expenses incurred for conferences in June. (Mrs. Roche attended the Association of Defense Communities National Summit in Washington DC and Deputy Director Rob Davies attended the Inland Marine Port Manager and Executive Seminar in Little Rock, AR.)

This will mean we will need to make modifications to the contract for the Deputy Director.

Weston will be providing the LRA with their contract this week and we will forward on to Attorney Jensen for review. Once signed we can move forward with the dredging and hydraulics survey and the transition planning, etc. The dredging and hydraulics survey will be scheduled for early August.

While in DC for the ADC National Summit, Mrs. Roche met with the following:

Congresswoman Bustos office, DOD Office of Economic Adjustment, Director of the US Department of Transportation Maritime Administration and Chief of the Army BRAC office.

Upon return from the conferences staff members met with Representative McCombie to provide updates on the parcel 20 grant for the reuse plan.

B. Update on Building 9 progress –

Following is correspondence from Brian Potempa regarding progress of tearing off the front porch and repairing the roof as part of an agreement between them and the LRA:

We have made significant progress on the front side of the building. We removed all the interior of the first and second floor on the front side. We removed all the ceilings and flooring, and cleared of all rubbish. We peeled back the first layer of the roof and removed the trusses. We are now sistering the joists the new truss soffit and fascia. We have left the second story on so we can do all this work by ladder as it makes it much more feasible and allow us to handle the materials much more effectively. We are in the process of re-tuck pointing the inside of the building as there was significant damage before we reframe all the old doorways in put in the new windows. Unfortunately, we have had a lot of bad rain days and had to do some electrical work and that would not be safe so we are behind schedule but have definitely made significant progress. The inside roof has been fully sistered in and is now ready for removal of the air-conditioning unit. We have hired a crane to come in and do the removal. We will then re-sheet that section of the roof. After the completion of that we will remove the remainder of the front section of the building. If there is any other details you need I can certainly provide that for you.

Paul Hartman has suggested that he would like to participate in a monthly walk-thru to monitor progress. Brian Potempa has been contacted in regards to this request.

7. New Business

A. Bills over \$2,500 –

JCE: \$2,518.86 This is for 6 locations for the timeframe of May 8 – June 9. Due to the high water and the flood pumps running \$1,802.07 of the total bill was for the Sewer Treatment Plant (flood pumps)

A motion was made by Bill Wright, seconded by Bill McFadden to approve the Jo Carroll Energy bill in the amount of \$2,518.86 for the May 8 – June 9 time frame. Motion passed by voice vote.

B. Approval of Facility Lease with Army – office space:

The Army has been working on an updated agreement since October and have been through a few different versions. They are now presenting us with a Facility Lease in which we will be responsible for all O&M costs and they Army will reimburse on a monthly basis. There is provision to submit any non-recurring costs for consideration at the end of the year. This will provide them with the right to renew on a yearly basis for 14 terms. LRA Board members discussed the terms of the old lease vs the Facility Lease. Attorney Jensen will review the old lease to see if there is a month to month tenancy in the old agreement and staff was directed to speak with the Army about adding an administrative fee to the lease.

D. Staff Reports

1. Executive Director

a. Report/issues updates-

A Consent of Partial Reassignment of the J Area Igloos between the LRA, Riverport Railroad and Illinois Information Management to Illinois FTS Warehouse was drafted by Attorney Jensen and signed by all parties except Illinois FTS Warehouse. Once we receive the fully executed document it will be forwarded to Attorney Jensen for his files.

The NPDES permit for this year has been paid for and issued.

b. Correspondence – Received a letter from Endeavor Solar Resources expressing their desire to secure the industrial park through a long term lease to develop a solar farm. The process of development will take several years and involves feasibility studies, securing contracts with local utilities, review of plans with state regulators, securing construction permits, infrastructure development, facility testing and interconnection with power utilities. They propose the LRA will still have full use of the property until construction begins. Key provisions proposed are: The property owner shall retain the right to use the Premises for any purpose including to the extent user does not physically disturb the solar facilities; the “initial term” is 30 years from the date of the lease. Thereafter, if solar facilities are in place and still actively

producing power, lessee may renew the lease for an additional 15 years; one time pre-construction rent payment of \$20,000 shall be paid prior to commencing construction; post installation rent of \$900 per acre on an annual basis of the occupied premises.

The LRA discussed the correspondence and others in attendance commented on the ability to get an interconnection agreement with the local utility. The board expressed the fact that the industrial park may be better utilized as we move forward with our reuse plan recommendations and the reuse planning efforts that are moving forward on parcel 20.

A motion was made by Don Crawford, seconded by Bill Robinson, to notify the solar company that we are not interested in placement of a solar farm within the industrial park land. Motion passed by voice vote.

Deputy Director Rob Davies expanded on the potential for industrial hemp over the next 3-5 years at this location. Not as a place to grow, but to process.

c. Property transfers – The Army is still preparing transfer packages for 3, 8 and 17.

d. Employment report – June numbers were 82, last month 91, last year June 112. We may see the numbers continue to go down as Rescar has sold their assets and will only be running a mobile crew out of this location.

2. Bookkeeper

a. Bank account balances as of the beginning of the month are: \$873,835.15

b. CD Transfers –A CD came due on June 30th from TBK at 2.0 % APY for \$54,486.46. Called around for rates and asked TBK if they would match Dupaco rates of 2.11% APY. TBK advised their money market rate had just changed to 2.08% APY. The funds were transferred over to the money market account. The next CD coming due is from Milledgeville State Bank for \$203,825.50 on 9-13-19.

c. Cash flow: Income for the month of June was \$1,757.02. Expenses for the month were: \$31,191.79 Large expenses for the month: \$5,485.64 Jo-Carroll Energy bill due to the flooding (pumps running at sewer treatment plant); surveying work on Army parcels preparing to transfer \$6,000; first mowing bill \$4,098.60.

d. Budget update: Income 6 months into the FY is \$133,053.18. Expenses are \$206,222.54 We will still be reimbursed \$20,000+ on the OEA grant

e. Water/Sewer Income vs. Expenses: Income for the month of June: \$121.80. Expenses for the month of June: \$6,828.04 (\$5,485.64 was the Jo-Carroll Energy Bill due to the flood pumps running at the sewer treatment plant) Income for the FY: \$6,389.46 Expenses for the FY: \$30,482.73 FY loss of -\$24,093.27

f. Outstanding Invoices - 3 overdue water/sewer bills, 1 has been making payments.

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:

- C Street Easement – no report

F. Other new business - none

8. Reports to the Board

A. Site Manager / BRAC Environmental Coordinator – Army is starting their work on Site 90 – landfill in the H Area.

B. Tenants – none

C. UMRI Port District – A meeting will likely be held next Wednesday at the Savanna Depot Park. Steve Keeffer questioned when we can get another meeting set up for the Joint Meeting. Ask Port Chairman.

D. USFWS – none

E. Water/Sewer Operator Update - The supplier sent the wrong part for the hydrant in the G Area. We could keep what they sent for future replacement of other hydrants and order the parts that do fit. Chairman Keeffer suggested to keep the part for future use and order what is needed to repair. Ed Martin questioned why we couldn't use the parts from another hydrant that doesn't need to be used in the future. Tim Schoenig replied it is actually going to be more expensive to dig and cap off the hydrant to "steal" the piece off the top. And this is actually a newer hydrant so we don't actually have any that we could "take" from.

F. Guests – Debbie Boden with Northwest Illinois Economic Development introduced Emily Legal as their new Executive Director.

9. Public Comments - None

10. Executive Session as permitted for the following under: N/A

11. Motions from Executive Session, if any: none

12. Adjournment – Bill Robinson made a motion, seconded by Kevin Reibel to adjourn the meeting at 3:58 pm. Motion carried by voice vote.