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**REDACTED CLOSED SESSION SPECIAL MEETING MINUTES
FEBRUARY 27, 2018**

The CLOSED SESSION of the Board of Park Commissioners of the Collinsville Area Recreation District was called to order by President Ronald Jedda at 7:03 PM, February 27, 2018 at the district office, 10 Gateway Drive, Collinsville, Illinois. Roll was called with the following commissioners answering present: Mark Achenbach, Jeanne Lomax, Aaron Wright and Ronald Jedda. Others present included Doug Erhart and District Attorney James Craney.

Jedda opened discussion regarding Resolution #18-2, a resolution allowing for the Executive Director to apply for Park Enhancement Program (P.E.P.) Funds for projects described in Exhibit 'A.'

Erhart led the discussion. He noted no funds will be put toward the farm. Those funds originally allocated for the farm will be used toward projects at Splash City Waterpark to be done by SafeSlide Restoration. He added the company came back out because Erhart would not sign the contract with the clause in the contract indicating CARD could pay more than originally quoted. They agreed to remove the clause and will complete the job for \$83,950. The projects at Splash City and the allocation of funds to Maryville and Collinsville will use up the \$165,200 grant amount.

Wright asked if this is something that can be discussed in closed session. He noted this does not fall under the discussion of employment, compensation, or dismissal of specific employees, purchase or sale of real property, and litigation. Erhart said the main part to discuss was Willoughby Farm not being included in the allocation of P.E.P. Grant funds. He added we definitely can't vote on it in closed. Achenbach added we are not including the farm because of the transition of the farm to the City of Collinsville. Wright added his opinion is that certain points need to be discussed in open session.

Jedda asked for clarification of the concrete at certain locations. Erhart said we are putting a walkway between Monsoon Mountain and the Lazy River and there is a location near the Leisure Pool and entrance that has settled and cracked.

Jedda added that they originally considered using funds for Willoughby Farm. He went on to ask how much of the money was allotted to the farm. Erhart said \$60,407. Jedda said those funds have been transferred to Splash City.

Lomax asked about the percentage of the P.E.P. Grant funds to be allocated to the City. Erhart said it was based on the population. He added that 81.6% of the total population of CARD is in Collinsville. The City was allocated 25% of that.

The item discussed next was the sale of certain property at Willoughby Heritage Farm. Jedda specified it is the Vivian property. He noted it was discussed at the last meeting and that he had a phone conversation from City Manager Mitch Bair on Monday saying that some individuals at the City have been monitoring the CARD website and noticed that some agenda items for tonight's meeting was on last week's agenda as well. He specifically said that John Miller was thinking CARD should just give the City everything at Willoughby Farm and the City can turn around and decide what they want to do with the Vivian property. Bair said he recommended to the council, and they agreed, that there wasn't a need for that and they had no interest in building a storage shed. Jedda recommends authorizing the attorney to initiate the sale process.



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Erhart added he had a market analysis done for the Vivian property and it was concluded to be between \$45,000 and \$55,000. This amount was larger than Achenbach thought. The lot is 2.8 acres. The board continued to discuss the process to sell various properties.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The next topic discussed was the placement of a referendum on the ballot to sell real property, including but not limited to certain parcels at Splash City Waterpark. Jedda noted he thinks CARD will get an agreement worked out with the City of Collinsville. He also noted that if something cannot be worked out with the City of Collinsville, CARD will place a referendum on the ballot to sell parcels at Splash City Waterpark. The board would have to place the referendum on the ballot by August 6, 2018. The board agrees that it should be authorized tonight and that it does not necessarily mean they have to act on it right away. The board discussed various projects that may be going on in the area soon. That included a hotel and recreation center being added onto the current convention center as well as a second level parking lot.

The last item discussed was negotiations with the City of Collinsville regarding acquisition of Willoughby Farm and Splash City Waterpark and the impact on the 2018 P.E.P Grant allocations. Craney told Steve Giacoletto that he would go through the potential agreement with the board at the special meeting. He went on to note some key points in the "Agreement between the City of Collinsville and the CARD with regards to the transfer of Willoughby Farm and Splash City." It includes various parcel numbers and legal descriptions referencing Willoughby Heritage Farm and Splash City Waterpark and states that those properties would be transferred from CARD to the City of Collinsville. It also notes that it is in the best interest of the citizens of the City and constituents of CARD that the transfer takes place as soon as possible. Craney noted that much of the language is the same that was used with the agreement for the parks. He went on to note various key points including certain conditions such as a City resolution supporting the dissolution of CARD as a park district. The next included a City resolution to petition disconnect of all City owned real estate from CARD. This is irrevocable. He went on to note the City will pass a resolution endorsing individual property owner's right to voluntarily disconnect from CARD.



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The agreement includes the transfer of assets from CARD to the City totaling a value of \$250,000 specifying that \$50,000 cash to be distributed to the City. This also includes \$125,000 in P.E.P. Grant funds and \$100,000 of cash to be distributed to the City at the time CARD is dissolved.

Regarding the operation of Splash City Waterpark, CARD will continue to operate the facility throughout the 2018 swimming season. The City will provide a rent free office space to CARD within the building known as the CARD Activity Center for the remaining CARD staff to operate. This rent free office space will be provided until the City assumes full operation of the Splash City facility during the winterizing period. He went on to discuss specifics of the agreement including the release of a joint press release between the City and CARD to the public. He then covered the liability insurance and pending litigation. It was also noted that until all current debts held by CARD are paid or otherwise extinguished, any monies provided to the City for the sale or lease of any real property will be used to pay down the CARD debts. Craney will add to the agreement that if the City does not use those monies toward the debts, any CARD taxpayer would have standing to sue the City.

Achenbach would like to add to the agreement the City has to maintain the property as a recreational asset or for recreational uses and if they convert it to non-recreational assets or uses, the City would then have to pay CARD back. Craney said he can add a "whereas" clause and note there would be a monetary penalty if the area is used for something besides recreation. Craney suggested adding that if the properties are used for anything other than recreation, the City would have to pay CARD the fair market value to be used toward the CARD debt. The board asked for clarification of section 1.1 and 1.2. Jedda asked for section 1.1 to just say "dissolution of CARD" not "dissolution of CARD as a park district." Jedda would also like to include that the resolutions cannot be rescinded and cannot later be modified.

He also addressed section 1.2 regarding a City resolution to petition disconnect of all City owned real estate from CARD. He would also like to include "future properties obtained subsequent to the date of this agreement." Wright noted that any petitions for properties that do not qualify for disconnection could not be approved. Jedda said those petitions would have to be presented to a third party, like an organization that is working on disconnecting properties from CARD. Craney went on to question who will prepare the petitions. Jedda said that would have to be Derrick Cox and whoever is working with him. Craney then asked who is going to make the paperwork for them to sign and then who is going to hold the paperwork until said date that it can be voted on. Achenbach said that should not be CARD. Craney suggested adding that those should be presented to and held by a third party to be determined.

Achenbach asked about section 2.1, 2.2, 2.3, 2.4 regarding the transfer of Willoughby Farm. He wants to know if this is just real estate, or does it include the transfer of the Museum Fund and Corporate Fund. He wants to know if there is a way for the City to come back and say CARD has to give them everything in certain funds. Craney suspects they will come back and ask for that, but the way the agreement is currently drafted, there is not. Erhart said that under #3 and #4, it needs to be added the City does not get possession of the titled or non-titled property of Splash City Waterpark until after the closing of the waterpark. Craney suggested under "Operation of Splash City" where it states that CARD will be operating Splash City, there should be a second section stating "at the time the City of Collinsville gains control of Splash City, CARD will transfer any titled and non-titled property related to Splash City."

Jedda would like to add into the agreement under "at the time CARD is dissolved" that at such time as certified by



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the County Clerk. He added that CARD would not be officially dissolved until the Clerk certifies the election Results.

Lomax went on to ask about the portion of the agreement giving CARD rent free office space in the Activity Center. Erhart said that needs to be changed. In the end, Craney suggested changing it to "until such time the space is no longer needed by CARD in any capacity."

Jedda commented on section 9, the portion discussing the release of a joint press release from the City and CARD. Jedda suggested adding the addition of any other governmental entities in the CARD boundaries that may want to participate. This could include Maryville, Glen Carbon, Pontoon Beach, school district and township, Etc.

Wright questioned section 11-4 and CARD's previous interest in changing insurance companies away from IParks but not being able to because of pending litigation. Erhart stated CARD is covered through October 1, 2018. Any claims filed after that will not be covered.

Jedda went on to question section 12 in the agreement. The portion stating "paid, satisfied and otherwise extinguished any monies provided to the City for the sale, lease" needs to include transfer, conveyance, gift, etc., as well. Achenbach added convergence from recreation use to non-recreation use. Jedda added that the funds upon any sale, conveyance, gift, etc., need to be applied to the escrow account established at whichever bank. The board continued to discuss the agreement and possible reactions from the City of Collinsville. Wright said the City has to approve the agreement, and meet all of the conditions before CARD approves the Agreement.

No further business coming before the Commissioners, a motion was made by Wright, seconded by Achenbach, that the CLOSED SESSION be adjourned to OPEN SESSION. Roll was called with the following voting AYE: Achenbach, Lomax, Wright and Jedda. None voted NAY. Motion passed.

The Closed Session Meeting stood adjourned at 8:41 PM.

Respectfully submitted,

Kimberli DeRossett, Recording Secretary

Date