

Minutes for the Special Board of Governors Meeting held July 12th, 2018
TCHA History Center

ATTENDANCE:

Pete Bill - President	David Hovde
John Thieme – Treasurer	Erika Kvam
Jeff Schwab – Vice President	Quentin Robinson
Colby Bartlett	Benjamin Ross (by phone)
Del Bartlett	Pete Sherry
Diane Begley	Phil Tucker

Unable to attend

Kevin Cullen - Secretary	Preston Smith
Craig Graham	Shane Weist
Walt Griffin	Todd White
Amy Harbor	

Staff

Craig Hadley

Call to order at 5:07 PM

Business to be presented: Proposal for creation of the Ouiatenon Preserve, Inc.

- Colby Bartlett made a Power Point presentation outlining the proposal for creation of a NFP entity to manage the Ouiatenon preserve area called the Ouiatenon Preserve, Inc.
- Currently land holdings in the area of the Preserve:
 - Erwin tract (farthest west) 80 acres
 - Tewksbury tract (next east, borders River Road) 40 acres
 - Sutter tract (next east, borders River Road) 64.5 acres
 - TCHA tract (acquired circa 1970, site of actual Fort by River) 20 acres
 - TCHA tract (east of Sutter tract, borders River Road) approx 5 acres
 - Brand tract (farthest east, borders River Road) 4.7 acres
- \$1.3 M has been donated by the Roy Whistler Foundation to acquire much of this land
- The land is co-owned by TCHA and The Archeological Conservancy (TAC)
- The Erwin, Tewksbury, and Sutter tracts are in crop production currently
- The grants obtained through Department of Natural Resources (DNR) require these lands be accessible to the public and not be farmed (although some still are being farmed)
- CREP (Conservation Reserve Enhancement Program) is a program of the USDA's Farm Service Agency (FSA) and the State of Indiana to pay eligible land to be converted from farmed land to conservation land. Similar to concept of the old "set aside" program for farm property.
- The land occupied by the Preserve is classified as eligible for the Wetland Restoration program (CREP program CP-23)
- The parent federal program of CREP is called CRP (Conservation Reserve Program) and that federal program is currently on hold. CREP may not be enrolling applicants after August 1st, 2018. Given the discontinuation of CRP enrollment and the shaky nature of the federal "Farm Bill" in congress, it causes concern that CREP enrollment may not be offered again the next year (but it could be – just don't know at this point). Even if enrollment is terminated, land enrolled

in CREP by Aug 1st, 2018 will have a 15 year contract for payouts from CREP. This is the reason for the push to enroll in CREP by August 1st.

- Payouts to landowners for property enrolled in CREP (taken out of farm production) is capped at \$50,000 per year per land owner. Because the Preserve land is owned by a partnership between TCHA and TAC, *each* would be eligible for up to \$50,000 apiece in payments.
- A chart was shown to illustrate how CREP payments are calculated. There are one-time incentive payments for enrolling in the CREP program, one of which is \$950 an acre, and there is an on-going annual payment calculated based upon the type of soil that would normally be used for crop production. There is a 1 time signing bonus of \$100/acre and a one time incentive reimbursement for 40% of the cost to install conservation-approved plants in place of the crops. The estimated annual amounts that TCHA would be eligible to received over the next 15 years varies between a few thousand dollars to as much as \$127,000 a year.
- The concern is that for two years of the 15 year CREP contract, the amount of moneys available as incentives and rental (annual payment to keep the cropland out of production) would be between \$123,000 and \$127,000. With TCHA and TAC being co-owners of property, the limit that could be received would only be \$100,000 leaving approximately \$50,000 not claimed.
- The other concern is that the conversion of the crop land into the preserve property would require TCHA to pay for maintenance of the conserved wetland including purchasing and planting seed, pulling out invasive trees or other plants not allowed under the conservation agreement, and maintenance of the overlook viewing area of the Preserve (grass cutting, road maintenance, future trail maintenance, signage, snow plowing?, trash collecting, general upkeep of any displays or objects at the overlook). This would also require the Executive Director of TCHA to oversee this maintenance.
- The third concern is the need for oversight of the Preserve development as a nature preserve and educational site (this is at the core of the mission of the Roy Whistler Foundation who fronted the money to acquire much of this property).
- It therefore was proposed to create a stand-alone NFP entity called the Ouiatenon Preserve, Inc. that would work on a contractual basis with TCHA to maintain and develop the Preserve land owned by TCHA/TAC.
 - The Ouiatenon Preserve, Inc (OPI) would be under contract to TCHA to carry out maintenance, upkeep, and implementation of development projects *approved by the TCHA Board* in the Preserve area
 - The representatives of the local FSA office (Farm Service Agency administers the CREP program for the USDA and the State of Indiana) suggested that creating such a lease-tenant relationship would qualify for a third entity in the payout of CREP incentives and annual rentals raising to the total ceiling of payments to \$150,000.
 - The OPI work would be funded by its share (33%) of the CREP incentive and annual rental payouts from the CREP program. TCHA and TAC would receive 33% each.
 - Development of larger projects (new trails, infrastructure improvement, etc.) would be paid by the Ouiatenon fund TCHA currently holds in a reserve account along with any grants OPI would procure from RWF or other entities for such building. *All projects would have to have prior approval of TCHA Board because TCHA/TAC retains ownership of the preserve properties.*
 - The lease contract between OPI and TCHA/TAC would outline the limits of the actions OPI could take autonomously versus having to have TCHA approval.
 - The lease would have to be drawn up and approved by TCHA and TAC. TAC meets July 21st and that would be when they would consider the lease contract.

There was discussion about concerns and questions.

- There was a concern about how quickly this needs to be pushed through with the August 1st deadline for CREP enrollment and the July 21st deadline for a lease agreement that TAC could review and agree to.
 - the potential ending of enrollment in CREP after August 1st 2018 is an unknown variable – do we want to take a chance that the program will no longer take enrollments?
 - in response to a question, Del stated that a 501 type NFP could be created within this time frame and the paperwork is already in preparation for moving forward if TCHA Board approves the OPI
 - Del has already drawn up a preliminary draft of a lease for consideration
- There was a concern expressed about TCHA's identify with the Preserve. There is a need for the Preserve to still be branded with TCHA since TCHA owns the Preserve land. This would need to be written into the lease contract with OPI.
- There was considerable discussion about whether the complexity of the relationship between OPI and TCHA/TAC is worth the financial benefit.
 - Craig Hadley pointed out that the Preserve is going to become a much larger entity taking more time and resources to maintain; the impact is more than dollars, it is also on time to oversee the Preserve and what it needs
 - The OPI would essentially be doing what the current Ouatennon Preserve committee is doing currently on a smaller scale; it would be charged with maintaining and developing the property within the constraints set by TCHA Board for approval of projects
- There was discussion about what TCHA would give up or lose.
 - There were points made about how TCHA could more tightly control OPI. The concern is that for OPI to qualify for NFP status and be an entity eligible for CREP payment, it would have to have its own Board, budget, and direction (within the constraints of the contract with TCHA)
 - TCHA would be “losing” some day-to-day control over how the maintenance is done, but it essentially would be using OPI as an agent to carry out the maintenance
 - The OPI Board would have a member of TCHA's Board or Executive Director on it. There would also be a member of TAC and the Roy Whistler Foundation on the OPI Board.
- There were a number of questions about what the lease contract would contain.
 - Del assured the Board that the contract would have hold-harmless clauses in it to protect TCHA from actions taken by OPI.
 - Del stated that the contract would be written in a way that it could be amended as needed
 - There was discussion that the Executive Committee (Craig Hadley, Pete, Kevin, John Thieme, and Jeff) work with Del and Colby on the lease contract. This will need to be done soon because TAC would need to sign off of the contract at their next Board meeting July 21st.

A motion was made by Jeff Schwab to move forward with the establishment of the OPI with the caveat that a lease contract satisfactory to the Executive Committee be crafted.

The motion was seconded by Quentin. Per parliamentary procedures, further discussion was called for.

Ben Ross stated that the arrangement we are talking about with OPI and TCHA is very commonly used in organizations with which he is familiar. No other discussion or questions were made.

The measure passed by 7 aye, 3 abstain. Two members of the original 12 had to leave before the vote was taken and in keeping consistency with the rules for voting on Board matters or elections, only those present at the time of the call for the vote may vote.

FOLLOW UP: There will be a meeting with the Executive Committee, Del, and Colby to work on the lease agreement Monday, July 16th at 4:45 at the Arganbright. As this is an Executive Committee meeting, it is open to any Board members who may want to attend.

Motion to adjourn

Meeting adjourned 6:43 PM

Minutes recorded and submitted by Pete Bill