



# *Indian Lake Improvement Association*

**Meeting of Members and Indian Lake Residents**

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**The New Reality:  
Indian Lake Governmental Lake Board**

**May 28, 2022**

- **Welcome and Introductions**
- **Where We Are Now**
- **Membership Report**
- **Treasurer’s Report**
- **How Did We Get Here**
- **Update on the Indian Lake Governmental Lake Board**
- **What Should We Do Together to Protect and Improve Indian Lake**
- **Next Steps and June 25 Meeting**



Welcome and Introductions



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- **Indian Lake Governmental Lake Board, a new 5-year Special Assessment District, and a very limited role for ILIA**
  - Indian Lake Governmental Lake Board established by Silver Creek Township Board under Public Act 451 of 1994
    - Comprised of 5 voting members
      1. Member of the Cass County Board of Commissioners appointed by the Chair of the County Board – **Ryan Laylin** (District 1)
      2. Representative of Pokagon Township Board – **Jim Rubino**
      3. Representative of SCT Board – **Mick Braman** (now SCT Supervisor)
      4. Cass County Drain Commission – **Jeff VanBelle**
      5. Member elected by the GLB from 3 people nominated by the ILIA – **Angelo Ippolito**
    - To be operated in perpetuity or until such time as SCT Board and Pokagon Township Board resolve to disband it
  - GLB hired Barr and accepted Barr’s 5-year plan
  - GLB established a new SAD for Indian Lake under Public Act 451 of 1994
  - GLB has a budget and SAD funds to use for weed control during 2022



- **Indian Lake Governmental Lake Board, a new 5-year Special Assessment District, and very limited role for ILIA – cont'd**
  - GLB's attorney has prepared a draft agreement with ILIA, but support is uncertain
    - ILIA's role would only be advisory
  - As of today, ILIA has no formal role with respect to the GLB, except to nominate 3 individuals for the Indian Lake representative every 4 years
  - Currently ILIA is attempting –
    - To serve as the representative of Indian Lake residents with respect to weed control, water quality, and overall health of Indian Lake, and
    - To facilitate communications between the GLB and lake residents



## Care

The Board must act in good faith with the care an “ordinarily prudent person” would exercise under similar circumstances



## Obedience

The Board must ensure that the organization acts consistently with its central purposes as described in its articles of incorporation and the mission

## Loyalty

Discharge duties unselfishly to benefit only the corporate enterprise and not the directors personally

## ■ Duty of Care

- Comply with all applicable laws
- Protect and conserve assets
- Manage risk – professional/general liability
- Avoid “over delegation” to experts
- Be reasonably informed on all board matters
- Be independent of insiders
- Ask appropriately hard questions – reasonable inquiry
- Maintain confidentiality of Board proceedings
- Avoid the “Sgt. Schultz defense”
- Business judgment rule



## ■ Duty of Obedience

- Ensure that the organization acts in a manner that is consistent with its purposes and mission
- Ensure that the organization complies with its Articles of Incorporation, Bylaws, and all applicable laws

## ■ Duty of Loyalty

- Act at all times in the best interests of the organization and so as to achieve its mission and purposes
- Act without regard to potential personal benefit, advantage or interest; where personal interests are at stake, address via disclosure and recusal from deliberations and voting
- Address clearly and effectively any conflicting or concurrent duties owed to other organizations





# What's Your Point of View?



- **Your POV may not be the same as your neighbors', ILIA Board's, Silver Creek Township's, or Governmental Lake Board's POV**
  - Must take into consideration everyone's POV
  - Respectful and honest discussion
  - ILIA Board's POV: Protection and improvement of Indian Lake, including reducing and controlling weeds, particularly invasive species, preserving and improving water quality and clarity, and maintaining the lake for recreation and fishing
  
- **Why does "the Why" matter?**
  - Drives vision, purposes, and objectives of the ILIA and what it does for Indian Lake
  - Vision, purposes, and objectives drive the ILIA's work and relationships
  - Creates insights into positions of SCT and GLB



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- **Early membership drive**
  - Mailed 419 membership letters and forms
  - Only 10 returned to sender
  - Corrected 9 and resent
  
- **Currently 200 memberships for 2022** (as of May 25)
  - Comparison to prior years
    - 2021: 207 memberships
    - 2020: 208 memberships
  - 62 joined in 2021, but have not yet joined for 2022
  - 47 new memberships this year as compared to 2021
  - 35 members out of 200 joined via our new website
  
- **Our thanks to all who have joined and also donated above and beyond**



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# Treasurer's Report

	2020	2021	2022
<b>INFLOWS</b>			
Fish Stocking	\$2,000	\$0	\$150
ILGB - 5 yr Plan Reimb	\$0	\$0	\$7,600
<b><u>Memberships</u></b>			
Memberships-Mail	\$15,720	\$16,305	\$20,108
Memberships Pay Pal	\$0	\$250	\$6,670
Pay Pal Fee	\$0	-\$7	-\$227
Net Memberships Pay Pal	\$0	\$243	\$6,443
TOTAL Memberships	\$15,720	\$16,548	\$26,551
Refunds (Weed Harvester, Permit, WC, Ins - No Fat	\$2,309	\$456	\$900
<b>TOTAL INFLOWS</b>	<b>\$20,029</b>	<b>\$17,004</b>	<b>\$35,201</b>
Membership Analysis			
Number of membership registered via mail		165	
<u>Number of memberships registered on-line</u>		<u>35</u>	
Total Memberships		200	
Average per membership	\$	133.89	
% of memberships with a donation		70%	



# Treasurer's Report

	2020	2021	2022
<b>TOTAL INFLOWS</b>	<b>\$20,029</b>	<b>\$17,004</b>	<b>\$35,201</b>
<b>OUTFLOWS</b>			
Advertising	\$1,015	\$565	\$0
Aeration (Electric)	\$0	\$450	\$836
Annual Meeting	\$800	\$1,000	\$463
Barr Engineering: Barr Engineering 5 year Plan	\$0	\$29,827	\$0
D&O Insurance	\$4,424	\$0	\$2,878
Harvester			
Harvester: Harvester Vehicles	\$551	\$0	\$0
Harvester: Harvester - Workers Comp	\$656	\$586	\$0
Harvester: Harvester Insurance	\$1,292	\$1,656	\$1,372
Harvester: Harvester Site Work	\$339	\$0	\$7,125
Harvester: Harvester Taxes	\$1,715	\$331	\$1,391
<b>TOTAL Harvester</b>	<b>\$4,553</b>	<b>\$2,573</b>	<b>\$9,888</b>
Lake Mangement	\$0	\$0	\$10,076
Membership: Membership Mailing Printing	\$754	\$808	\$874
Misc Expense (Dues, Subscriptions, Bank Charges, Etc)	\$423	\$98	\$70
North Inlet	\$500	\$50	\$0
Professional Services: Accounting Services	\$600	\$400	\$0
Taxes: Property Tax	\$0	\$1,464	\$0
Web Site	\$375	\$2,944	\$45
<b>TOTAL OUTFLOWS</b>	<b>\$13,444</b>	<b>\$40,178</b>	<b>\$25,130</b>
<b>OVERALL TOTAL</b>	<b>\$6,586</b>	<b>-\$23,174</b>	<b>\$10,072</b>



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Overall Financial Picture 5/26/2022

**Cash & Receivables**

Checking Account	\$30,185
ILGB Receivable	\$22,800

**Commitments:**

Lake Savers Cancellation	\$14,000
Fish Stocking Fund	\$14,100

**Land (Assessed Value)**

33183 Lakeview	\$8,900
Forest Beach Property	\$33,100
<b>Total Land</b>	<b>\$42,000</b>

**Harvester Equipment**

Weed Harvester	\$0
Conveyor	\$0
Dump Truck	\$0
Repairs necessary to be operational	\$20,000





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## How Did We Get Here

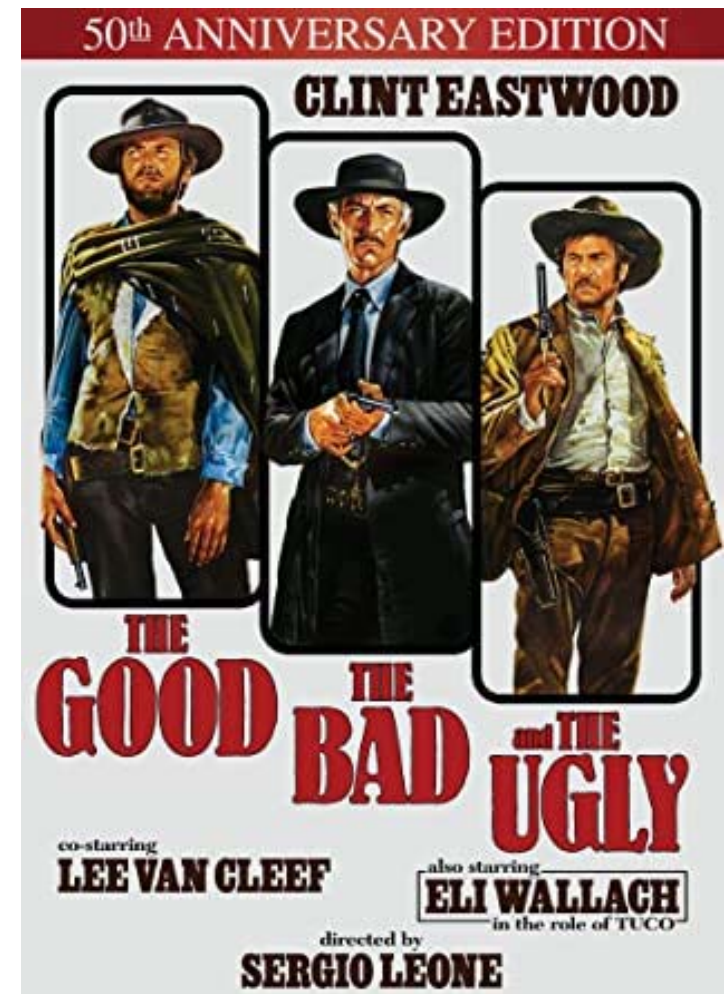
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# How Did We Get Here: The Good, the Bad, and the Ugly

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## ■ Chronological summary

- [June 20, 2006](#): SCT Board in Resolution 06-13 established, pursuant to Public Act 188 of 1954, the initial SAD for the purpose of controlling weeds in Indian Lake for a period of 5 years to April 26, 2011
- [September 8, 2010](#): SCT Board in Resolution 10-17 extended the Indian Lake SAD for 5 years to April 26, 2016, and authorized a pilot study of the use of laminar flow aeration for weed control
- [October 26, 2010](#): ILIA and Lake Savers, LLC executed Lake Management Systems Equipment Lease (South Basin) for aeration equipment
- [June 13, 2012](#): SCT Board by Resolution 12-10 extended the Indian Lake SAD for 5 years to April 26, 2021, and also authorized aeration for the entire lake
- [August 22, 2012](#): ILIA and Lake Savers, LLC executed Lake Restoration System Agreement (North Basin) for “Laminar Flow Inversion Oxygenation System and Bio Acceleration Program” (indicated effective date of July 15, 2012)
- [June 2014](#): ILIA applied and received a permit from the Cass County Drain Commissioner to place 3 nutrient barriers before the North Inlet (Mann Drain)



## ■ Chronological summary – cont'd

- [Approximately June and August 2014](#): At ILIA's direction, Lake Savers installed the 3 nutrient barriers before the North Inlet
- [September 2016](#): Michigan Department of Environmental Quality (DEQ) informed ILIA that a permit issued by DEQ was required for the 3 nutrient barriers installed before the North Inlet
- [October 3, 2016](#): ILIA applied to DEQ for a permit for the 3 nutrient barriers installed in the North Inlet
- [August 7, 2017](#): DEQ's denied of ILIA's application for a permit for the 3 nutrient barriers installed in the North Inlet, including direction to remove the filters
- [August 15, 2017](#): DEQ issued a revised denial of ILIA's application for a permit for the filters installed in the North Inlet, including direction to remove the filters
- [Approximately August 20, 2017](#): ILIA engaged Matt Smith and Mike Pattwell of Clark Hill to handle the DEQ matter
- [October 6, 2017](#): ILIA filed an administrative appeal of the DEQ's denial of ILIA's permit application



## ■ Chronological summary – cont'd

- [July 13, 2018](#): ILIA and DEQ entered into Settlement Agreement regarding the ILIA's administrative appeal
- [August 8, 2018](#): DEQ issued Order to Restore, which required removal of the 3 nutrient barriers no later than September 10, 2018
- [Between August 8 and September 10, 2018](#): At the direction of ILIA, Lake Savers removed the 3 nutrient barriers and undertook other restoration steps in compliance with the DEQ's Order to Restore
- [March 2020](#): COVID-19 lockdown
- [April 23, 2020](#): SCT's Weed Control/Lake SAD – Summary 2020
  - Applicable to Magician, Indian, and Dewey Lakes
- [May 2020 – March 2021](#): ILIA Board leadership had numerous meetings and discussions with Supervisor Bill Saunders and received assurances that it would receive a formal one-year extension to the SAD because of State of Michigan COVID-19 restrictions and related health concerns
- [August 22, 2020](#): ILIA meeting of members and lake residents and presentation of North Inlet proposal for installation of “beaver dams” and switch grass logs



## ■ Chronological summary – cont'd

- [August 28, 2020](#): Permit application filed with the Michigan Department of Environment, Great Lakes, and Energy (EGLE) for North Inlet proposal for “beaver dams” and switch grass logs (Oct – dec Blake Winstead at EGLE)
- [September 19, 2020](#): ILIA Board approved a request for proposal process for an independent expert firm to provide lake science, planning, and monitoring services
  - RFP Committee, chaired by Laura Van Dyke-Wall, drafted comprehensive RHP for a 5-year plan and lake science and management services
  - RFP provided to 8 firms: Restorative Lake Services, Keiser & Associates, Clear Water Lake Management, Lake Pros, Streamside Ecological Services, Savin Lake Services, Niswander Environmental, and King-Macgregor (which had been acquired by Barr)
  - RFP Committee interviewed firms that submitted responses: Barr, Keiser & Associates, and Savin Lake Services
  - Unanimous recommendation of Barr from the RFP Committee and approved by the ILIA Board
- [October 2020 – February 2021](#): ILIA’s North Inlet Committee works with Blake Winstead at EGLE
- [Early February 2021](#): Kyle Alexander of EGLE (Blake’s supervisor) refuses to approve our permit because, based on our data, Kyle believe that phosphates coming through the North Inlet are at acceptable levels

## ■ Chronological summary – cont'd

- [March 3, 2021](#): Meeting with Supervisor Saunders with Keith Anderson and Tom Carlson at Hannapel's to confirm one-year extension of the Indian Lake SAD
- [March 21, 2021](#): ILIA submitted its revised North Inlet permit application for a switch grass log meandering stream to EGLE
- [March 26, 2021](#): ILIA Special Board Meeting
  - Interview of Barr and Keiser & Associates
  - Unanimous recommendation of Barr from the RFP Committee
  - ILIA Board approves selection of Barr, subject to negotiation of an agreement acceptable to the Board
- [April 26, 2021](#): ILIA's written request to the SCT Board for a one-year extension to the SAD or an interim one-year SAD
- [May 5, 2021](#): ILIA Special Board Meeting to approve the Barr agreement



## ■ Chronological summary – cont'd

- May 12, 2021: SCT Board failed to approve Supervisor Saunders' motion to grant the ILIA's formal request for a one-year extension to the SAD or an interim one-year SAD
  - As a result, the ILIA was required to submit, by June 1, 2021, petitions with signatures of owners representing at least 51% of the land mass within the SAD and a new 5-year plan
- May 14, 2021: Agreement between Barr and ILIA signed
  - \$29,830 for the 5-year implementation strategy and plan (ILIA funds)
  - \$22,695 for 2021 lake monitoring and management (SAD funds)
- June 1, 2021: ILIA submitted (i) petitions for a new 5-year SAD signed by owners representing at least 51% (actually more than 70%) of the land mass in the SAD as required by Public Act 188 of 1954 and SCT Resolution 20-04 and (ii) a new 5-year plan for Indian Lake weed control subject to the Barr Engineering report and plan
  - For October 1, 2021, to and including September 30, 2026
  - Retained the assessment at \$5.85 per linear foot
  - No SAD funds for Barr's 5-year plan
  - Proposed Budget for FY 2023 included Barr lake management and continuation of aeration by Lake Savers LLC, d/b/a Everblue Lakes, herbicide treatments by PLM Lake and Land Management Corp., and ILIA's operation of the weed harvester per Barr's direction





## ■ Chronological summary – cont'd

- [June 9, 2021](#): SCT Board approved Resolution to Order Creation of Lake Board under Public Act 451 of 1994
  - GLB comprised of 5 members:
    1. Member of the Cass County Board of Commissioners appointed by the Chair of the County Board – **Ryan Laylin** (District 1)
    2. Representative of Pokagon Township Board – **Jim Rubino**
    3. Representative of SCT Board – **Mick Braman** (now SCT Supervisor)
    4. Cass County Drain Commission – **Jeff VanBelle**
    5. Member elected by the GLB from 3 people nominated by the ILIA – **Angelo Ippolito**
  - GLB granted the authority to establish a SAD under Public Act 451 of 1994
  - GLB to be operated in perpetuity or until such time as SCT Board and Pokagon Township Board resolve to disband it
- [June 23, 2021](#): EGLE rejects ILIA's revised proposal for the North Inlet
- [August 28, 2021](#): Joe Bischoff presented Barr's initial findings and 5-year plan
- [September – November 2021](#): GLB hired Barr, accepted Barr's 5-year plan, and established a new 5-year SAD for Indian Lake under Public Act 451 of 1994
  - No minutes available, except for the GLB's meeting on February 22, 2022

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- Barr presentation to the GLB
- Lake outlook and plan
- Some thoughts on the GLB and looking forward
- Upcoming activities authorized by GLB and paid by SAD funds
  - Yesterday, May 27, PLM surveyed the lake
  - Week of May 30
    - Wednesday (June 1) or Thursday (June 2) – current tentative dates for herbicide application
    - Friday (June 3) – point intercept survey of the Lake to map and track plane/weed growth areas
  - Combination of herbicides
    - Combination of ProcellaCor and Diquat herbicides will be used in near-shore areas where plants are most problematic
    - This combination of herbicides should provide better control of Eurasian Water Milfoil and Curley-lead pondweed

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## ■ Options for discussion and consideration

- Status quo
  - ILIA currently has no formal role with respect to the GLB and expenditure of SAD funds for weed control, but continue to press for meaningful agreement between GLB and ILIA
  - ILIA serves as the informal representative for, and facilitates communications with, Indian Lake residents with respect to GLB
  - Wait and assess how well the GLB does in managing weeds this season and revisit options next year
- Engage in organized fundraising to augment and complement weed control and water quality efforts of the GLB and its use of SAD funds
- Pursue dissolution of GLB (which would terminate the current SAD)
  - Organize a dissolution petition drive under Public Act 451 of 1994 and press SCT to disband the GLB (MCL 324.30929(a)) – need signatures of “at least 2/3 of the property owners owning land abutting the lake”
  - If dissolution is successful, then either (i) forego SAD funding and engage in organized fundraising to pay for weed control and water quality activities, or (ii) press SCT to authorize a new SAD under Public Act 188 of 1954 (*e.g.*, act on ILIA’s petitions of June 1, 2021)
- Other options?

## ■ Requested action of the ILIA Members

- ILIA Board recommends that the ILIA Members approve the following resolution:
  - **RESOLVED** that the ILIA Officers and Directors be, and hereby are, authorized to enter into an agreement with Lake Savers, LLC, d/b/a EverBlue Lakes, with the following key provisions –
    - 1) Suspension of the two aeration agreements between ILIA and Lake Savers for a period up to 24 months;
    - 2) ILIA's payment of \$14,000 to Lake Savers;
    - 3) No further liability or obligations of ILIA, including no requirement for ILIA to pay for deterioration of, or damage to, Lake Savers' equipment; and
    - 4) Termination of the two aeration agreements at the end of the suspension period without any additional payment by ILIA



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**Next Steps and June 25 Meeting**

- **No decisions today**
- **Next meeting – 9:30 a.m. on Saturday, June 25, at the Indian Lake Firehouse**
- **Contact information for key government officials**
  - **Mick Braman**, Supervisor of SCT & **GLB Member**
    - [scsupervisor@sisterlakescable.com](mailto:scsupervisor@sisterlakescable.com)
    - (269) 424-3025
  - **Lorri Behnke**, Clerk of SCT
    - [silvercreek@sisterlakescable.com](mailto:silvercreek@sisterlakescable.com)
    - (269) 424-3025
  - **Maureen Kuriata**, SCT Treasurer
    - [sctreasurer@sisterlakescable.com](mailto:sctreasurer@sisterlakescable.com)
    - (269) 424- 3025
  - **Mike Glynn**, SCT Trustee
    - [sctrusteeglynn@sisterlakescable.com](mailto:sctrusteeglynn@sisterlakescable.com)
    - (269) 424-3025
  - **Bill Saunders**, SCT Trustee
    - [sctrusteesaunders@sisterlakescable.com](mailto:sctrusteesaunders@sisterlakescable.com)
    - (269) 424-3025
  - **Ryan Laylin**, Cass County Commissioner (District 1) & **GLB Member**
    - [ryanl@cassco.org](mailto:ryanl@cassco.org)
    - (269) 445-4420
  - **Skip Dyes**, Chair of Cass County Board of Commissioners (District 3)
    - [skipd@cassco.org](mailto:skipd@cassco.org)
    - (269) 532-3494
  - **Jeff VanBelle**, Cass County Drain Commissioner & **Chair of GLB**
    - [jeffv@cassco.org](mailto:jeffv@cassco.org)
    - (269) 445-8611, ext. 315
  - **Linda Preston**, Supervisor of Pokagon Township
    - [pokagonsupervisor@comcast.net](mailto:pokagonsupervisor@comcast.net)
    - (269) 782-8756





# Next Steps and June 25 Meeting

- Questions
- Thank you very much for attending today's meeting

