

**KENDALL COUNTY FOREST PRESERVE DISTRICT
COMMITTEE OF THE WHOLE MEETING MINUTES**

MARCH 9, 2016

I. Call to Order

President Wehrli called the meeting to order at 5:32 p.m. in the Kendall County Board Room.

II. Roll Call

Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, and Wehrli all were present.

III. Approval of Agenda

Commissioner Davidson made a motion to approve the agenda as presented. Seconded by Commissioner Gryder. All, aye. Opposed, none. Motion passed unanimously.

IV. Citizens to be Heard

No public comments were offered by those present at the meeting.

V. Director's Report

Director Guritz reported that the call for proposals for an underwriter for the 2016 refund bonds has been published, with proposals due March 18 for approval at the first Commission meeting in April.

The Maramech Forest Preserve restoration project is underway, with a large-group work day scheduled for Thursday which will include cleanup and burning of the cleared honeysuckle to open up the woodland areas. Director Guritz reported he is looking into a Fish and Wildlife Service cost share program to continue restoration efforts, with a goal of clearing a rare Black Oak woodland area of the preserve.

Commissioner Gryder inquired into the current position openings. Director Guritz reported that April Morris was promoted to the part time Environmental Education Coordinator position, with a part-time Environmental Education Instructor position opening posted to fill the created vacancy as a result of April's promotion.

Commissioner Davidson inquired into the scope of work for the bridge replacement at Richard Young. Director Guritz reported that significant bank erosion has occurred at the bridge location due to high-velocity storm waters. A longer single-span bridge is needed, with armoring of the stream bank to insure that the replacement bridge remains intact. Commissioner Davidson suggested that O'Mally's Welding may have a bridge in storage that would suffice.

President Wehrli stated that site access is an issue that would preclude hauling in of a bridge to the site. Director Guritz stated he was looking into options for the replacement.

VI. FY 14-15 Audited Financial Statements (Matt Schueler and Brooke Woodinmiller, WIPFLi, Inc.)

Matt Schueler and Brooke Woodinmiller with WIPFLi Inc. presented an overview and summary of the District's FY 14-15 Audited Financial Report.

Mr. Schueler reported that in the independent audit report is unmodified, or a clean opinion.

The audit includes a new pension liability reporting section.

Mr. Schueler reported that there were no compliance issues within the single audit performed for the District's \$750,000 federal grant.

Within the District's Statement of Net Position (page 10), total assets grew from \$79.9 million in 2014 to \$81.9 million in 2015, with land assets accounting for just under \$65 million. The District held \$6.5 million in cash, deposits and investments.

The District closed the year with \$46.5 million in bonded debt, reduced from \$47.2 million in 2014.

The overall net position increased to just over \$27 million by year's end, consisting of the balance of net investments, restricted funds, and unrestricted assets.

Mr. Schueler reported that in accordance with the new pension liability reporting standard, deferred outflows of pension resources totaling \$110,555 is recorded, with net pension liability assigned to the District of \$169,075. This amount is a calculated proportion of Kendall County's total net pension liability. The District's and County's pension plan is 92% funded, which indicates a well-funded plan. The Committee of the Whole discussed the overall pension liability.

Mr. Schueler summarized the Governmental Funds Balance Sheet (pages 12-14). The District's Total Governmental fund balance is \$6.3 million, of which \$245,789 is considered unassigned, with the remainder restricted for debt service and capital projects. Mr. Schueler reported that the general fund balance was a deficit of (\$34,000) in the prior year, with the transfer of interest earnings establishing a positive operating fund balance of \$245,879. The Committee of the Whole discussed the District's debt service fund balances.

Mr. Schueler reported that the District's cash deposits with financial institutions (Note 3 – page 25-31) is insured and collateralized.

Mr. Schueler presented the District's Pension and Retirement Systems report (Note 6 – Page 27). The Committee of the Whole discussed the presented report. Commissioner Purcell expressed concerns over the long-term sustainability of the pension program.

Mr. Schueler distributed a separate summary report of “Revenues by Source and Expenditures by Function for the Last Three Fiscal Years.”

The Committee of the Whole discussed the General Fund audit report (Pages 39-40). The operating fund ended with a deficit prior to the transfer of (\$6,563), and post-transfer balance of \$245,789. The Committee of the Whole observed that the past year’s operating fund deficit prior to transfer was (\$188,248), with Matt Schueler stating that this was a tremendous improvement over the past year.

VII. Stephanie’s Garden – Hoover Nature Play Space Stakeholder’s Group – Proposed Phase I Scope of Work

Director Guritz reported on the results of the meeting with the Stephanie’s Garden Stakeholder’s Group, including discussion of policies for securing approval for phased work plans, and scope of work for the first phase build-out of the play space elements.

Director Guritz presented a report outlining the guidelines for executing a phased development of the nature play space. Guidelines and requirements proposed included:

1. Commission pre-approval for each phase of work planned.
2. Forest Foundation acceptance of donations of funding and construction materials.
3. Consultation with Upland Design to assist with defining the scope of work, ADA requirements, and development of construction drawings when needed/required.
4. Once approved by Commission, District staff will work to secure any required permits for each phase of work.

Director Guritz introduced Mr. and Mrs. Jeff and Jackie Harvey, and Lisa Casbarian to discuss the proposed first-phase construction of the nature play scape. Ms. Casbarian reported that the stakeholder’s group had met to discuss next steps, with donations for excavation work and pipefittings for construction of a water service line and mud kitchen secured, including support for constructing the drainage basin area and rain garden for the project.

Mrs. Harvey reported that development of the project began two years ago with support from Dr. Natalie Drummond and Megan Gessler working to establish the garden area with community support. Fundraising efforts have raised over \$6,000 for the project held by the Forest Foundation.

Commissioner Koukol inquired into the history of past presentations on the project. Director Guritz stated that at this point, Upland Design had completed the overall site plan, and from previous meetings, Dr. Natalie Dummond had offered to assist with fundraising efforts for larger contributions to the project.

President Wehrli stated that he would be taking an active hand in providing the labor and securing donations of construction materials.

Commissioner Koukol stated that once this project gets up and running, he anticipates that contributions for future phases will be easier to come by.

Commissioner Purcell inquired into what the cost will be to the District, including ongoing maintenance. Director Guritz stated that there will be no direct costs to the District, with each element designed to limit maintenance efforts.

Consensus of the Committee of the Whole was to place a motion on the agenda for the next meeting to approve the first phase development of the site plan.

VIII. Sunrise Center Inc. – Sunrise Center North License Agreement for the Operation of a Therapeutic Riding Program at Ellis House and Equestrian Center

Director Guritz reported on a proposed license agreement with Sunrise Center, Inc. – Sunrise Center North for relocating their program operation to Ellis House and Equestrian Center. Kris Mondrella, Program Director for Sunrise Center North, presented an overview of their therapeutic riding program. The mission of Sunrise Center North is to provide therapeutic riding services enhancing the cognitive development and social well-being for individuals with special needs, disabled veterans, and seniors. Current clients are afflicted by autism, cerebral palsy, development delays, muscular sclerosis, muscular dystrophy, and blindness.

President Wehrli stated that the only remaining question on the agreement is whether the District's insurance coverage will extend to programs where Sunrise Center horses are being used to support District programs.

Commissioner Davidson asked where Sunrise Center students originate. Ms. Mondrella reported that students are referred to the Center's services from school districts, special recreation associations, and park districts. Sunrise Center is a PATH member.

Commissioner Koukol inquired into the approximate number of students enrolled. Ms. Mondrella reported that she typically extends services to 10-20 students per six-week session.

Commissioner Koukol commented that in review of the contract, Sunrise Center staff and volunteers will extend care to all horses on one and a half days each week, with the District extending care over the remaining five and a half days, and asked how this distribution was determined. Ms. Mondrella stated that Sunrise Center is actively programming on Sundays and Mondays each week, which allows for Sunrise Center staff and volunteers to extend care on those days.

Commissioner Davidson inquired into whether this agreement would require more District staff. Director Guritz reported that the increase in hours needed for horse care would be assigned to the current part time Equestrian Program Coordinator and Barn Hand and Horsemanship Instructors. Additional support will be provided by the Farm Manager, Ellis House and Equestrian Center Seasonal workers, and the Ellis House Caretaker.

Commissioner Purcell inquired into whether the license agreement monthly fees had been examined following the Programming and Events Committee meeting. Director Guritz

stated that a monthly fee increase was negotiated with Howard Nelson, Board Trustee with Sunrise Center, Inc., with the increase to \$1,500 through the end of November, and \$1,600 for the remainder of the term of the agreement restated in the current draft of the agreement.

Commissioner Purcell inquired into whether there were any changes in the District's assumptions for expenses. Director Guritz stated that the opportunity cost, and market cost for the potential purchase of hay was examined. If the District experienced a poor harvest year for hay, additional cost would be incurred for purchase of hay on the open market, which would reduce the District's overall net gain over costs for those months that hay needed to be purchased. That said, the overall agreement still results in a positive financial gain for the District.

Commissioner Purcell inquired into how Sunrise Center acceptance of non-disabled clients is regulated within the agreement. Ms. Mondrella reported that Sunrise Center North does extend lessons to a few non-disabled clients, but this is limited to family members that have expressed interest in participating alongside their family member. Ms. Mondrella stated that with few exceptions, non-disabled individuals connected with the Sunrise Center program will be referred to Ellis staff for lessons.

President Wehrli stated that this would be put to a vote next Wednesday, with Director Guritz following-up with the District's insurance carrier.

Commissioner Gilmour inquired into whether David Berault with the State's Attorney's Office would be available to discuss liability concerns with the Commission. President Wehrli stated that David Berault will be present at next week's meeting, and that Commissioners should have received an email with an invitation to discuss any of the provisions directly with the State's Attorney's Office.

Commissioner Purcell inquired into the costs for the ADA improvements needed to accommodate the Sunrise Center North program. Director Guritz stated that the costs for all improvements will be covered by Sunrise Center, with the District supporting efforts to secure donations and extending staff support to assist with the improvements.

IX. Baker Woods Forest Preserve Wetland Mitigation Project

Director Guritz introduced Vince Mosca, Vice President and Senior Ecologist with Hey and Associates, Inc. who presented a PowerPoint presentation and overview of the process for establishing a wetland mitigation bank, the financial and project work considerations, and the potential for establishing a wetland mitigation bank and project site at Baker Woods Forest Preserve.

In order to establish a wetland mitigation bank, an interagency committee reviews all candidate site proposals. Once approved by the interagency committee, 30% of the mitigation credits become available for sale on the open market, with the market currently supporting per-acre mitigation purchase price between \$40,000 and \$50,000.

Another 30% of the anticipated total credit becomes available following completion of the rehydration and seeding of the mitigation area, with the remaining 40% available once regulatory signoff is achieved.

Credit is assigned on a 1:1 basis for farmland restored to wetland, 1:4 for enhancement of existing wetland areas and 1:10 for establishment of natural area buffer zones around the restored wetland areas.

Banks can be established by private and government entities, and banks can be private or public, with private banks established to offset wetlands impacted by that particular agency.

Commission discussed the boundaries of the Rock Island District of the US Army Corps of Engineers which includes Kendall County.

Vince Mosca reported that development is on the upswing, with a need for active banks in the Rock Island District.

Ideal mitigation bank areas are located within relatively flat areas, with positive drainage from surrounding topography, with pre-existing hydric soils present. Engineering design and drainage law requires that surrounding lands will continue to drain through District property.

Commission discussed the prerequisite conditions necessary to establish a wetland mitigation bank site. Director Guritz reported that based on review of preserve land holdings, Baker Woods Forest Preserve is the only candidate site currently that fits the criteria.

President Wehrli asked Commission if they were comfortable with taking the next steps to look at the potential costs for establishing a wetland mitigation bank project at Baker Forest Preserve. While some reservations were expressed, Commission provided instruction to District staff to bring forward an initial proposal for determining project costs.

X. Kendall County Intergovernmental Agreement for Transportation Alternatives Program (KC-TAP) Funding for Route 34 Multi-Use Trail Construction

Director Guritz reported that the intergovernmental agreement has been revised with funding award from the KC-TAP program to the District increased to \$6,000. Once the Kendall County Board approves the intergovernmental agreement, the agreement will be brought to Commission for approval.

XI. Meadowhawk Lodge Repairs – Wight and Company Proposal and Gallagher Basset Settlement and Release

Director Guritz presented a proposal from Wight & Company, Inc. to complete the repairs of Meadowhawk Lodge with a total cost estimate of \$12,330. A settlement and release

totaling this amount has been received from the insurance carrier, Gallagher and Basset. The State's Attorney's Office is recommending completion of the work first in order to insure that the full cost for the repairs is known before signing off on the insurance company's release.

XII. Review of Costs for Proposed Ellis House Improvements

Director Guritz reported that Ellis Farm Manager, Marty Vick is currently working to secure comparable quotes for the replacement of a portion of the Ellis House windows, and completion of painting and caulking of the entire house. Estimated cost for replacement windows is approximately \$18,000, with a cost estimate of \$9,000 - \$11,000 for completion of exterior painting and caulking.

An IPMG estimator has completed an inspection of the Ellis roof damaged by the wind storm in December. Director Guritz was instructed to work with Commissioner Cullick to negotiate the cost contribution from the insurance company for the roof replacement. Once the cost share is understood, the roof replacement specifications will be developed for bidding out the project.

The Committee of the Whole discussed the proposed costs.

Commissioner Koukol stated he is concerned about the window replacement costs.

Commissioner Gryder stated he is also concerned about ongoing capital costs for Ellis House improvements.

President Wehrli reminded the Committee that Hoover Forest Preserve required a significant capital investment following acquisition.

Commissioner Purcell questioned whether the Sunrise Center would be able to operate if the Ellis House was demolished. Director Guritz stated that Sunrise Center plans to use the classroom area occasionally, but most of their program utilizes the stable and riding arena(s).

Commissioner Gilmour stated that without the Ellis House, the site would no longer attract weddings.

Commissioner Davidson suggested that demolishing the Ellis House and replacing it with a pole barn may be a good solution to the ongoing maintenance issues with the Ellis House.

Commissioner Gilmour stated that brides do not want to change in a pole barn.

XIII. Citizens to Be Heard

Jerry Bannister stated that Route 34 trail plans may be impacted by Fox River Water Metro District property changes, suggesting Commission keep an eye out for those changes. Mr. Bannister also cautioned about fecal matter and waterborne diseases issues that could be a concern with the Hoover Nature Play Space mud kitchen.

XIV. Executive Session

Commissioner Koukol made a motion to enter into executive session under 2(c)1 and 2(c)5 of the Open Meetings Act to discuss the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity; and to discuss the purchase or lease of real property for the use of the public body, including meetings held for the purpose of discussing whether a particular parcel should be acquired. Seconded by Commissioner Cullick.

Roll call: Commissioners Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Cullick and Wehrli, aye. Opposed, none. Executive session called to order at 7:52 pm.

Commissioner Koukol mad a motion to adjourn from Executive Session. Seconded by Commissioner Cullick. Aye, all. Regular meeting reconvened at 8:07 pm.

XV. Other Items of Business

None.

XVI. Adjournment

Commissioner Gryder made a motion to adjourn. Seconded by Commissioner Koukol. Aye, all. Opposed, none. Meeting adjourned at 8:08 pm.

Respectfully submitted,

David Guritz
Director, Kendall County Forest Preserve District