

**KENDALL COUNTY FOREST PRESERVE DISTRICT  
FINANCE COMMITTEE MEETING MINUTES**

**APRIL 12, 2017**

**I. Call to Order**

Acting Finance Committee Chairman Gilmour called the meeting to order at 4:40 pm in the Kendall County Board Room.

**II. Roll Call**

X	Cullick (entered the meeting at 5:02 pm)		Gryder
X	Davidson		Kellogg
X	Gilmour	X	Appointed - Prochaska

Commissioners Davidson, Prochaska, and Gilmour all were present.

**III. Commissioner Appointment to Committee Service**

Acting Chairman Gilmour requested a motion to appoint Commissioner Prochaska to the Finance Committee in order to establish a quorum for the meeting. Commissioner Davidson made a motion to appoint Commissioner Prochaska to the Finance Committee for the duration of the meeting. Seconded by Commissioner Gilmour. Aye, all. Opposed, none.

**IV. Approval of Agenda**

No objections or amendments to the agenda were recorded.

**V. Citizens to be Heard**

No public comments were offered by those in attendance.

**VI. Approval to Forward Claims in an Amount Not-to-Exceed \$13,592.84.**

Commissioner Prochaska made a motion to forward claims to Commission in an amount not-to-exceed \$13,592.84. Seconded by Commissioner Davidson.

Director Guritz reported that charges included in claim #254 for First National Bank included two monthly charges for "The Knot" wedding guide web services. District staff conducted an audit of the account, with one \$250 charge remaining to close out the District's first year contract. This service is scheduled for renewal for a second annual contract in May.

Commissioner Davidson inquired into whether the recent ComEd billing included a full month of service after recalibrating the Hoover well water pump. Director Guritz stated that next month's billing should provide insight into whether the recalibration produces an energy savings.

Director Guritz reported that the Verizon bill statements will likely decrease due to savings generated in the State and local government bid rates. Internet and voice services have been transferred to the District's Verizon account for Ellis House and The Rookery, with resulting savings from the cancellation of three of the District's AT&T service lines.

Commissioner Davidson called the question. All, aye. Opposed, none.

## **VII. Review of Financial Statements through March 31, 2017**

The Finance Committee reviewed the YTD financial statements through March 31, 2017. Director Guritz reported that Latreese Caldwell has completed financial reports by cost center comparing FY16 to FY17 revenues and expenses that will be reviewed at the second Finance Committee meeting in April.

Director Guritz reported that the District is generally on track, with overall YTD expenditures at 3% below budget.

Latreese Caldwell pointed out that it appears that Environmental Education revenues for the period are currently below last year's income for the same period. Director Guritz stated that a report on projected revenues for spring 2017 school programs was prepared for the last Programming and Events Committee with receivables on track for the year based on scheduled programs.

Latreese Caldwell stated that there are areas where year-to-date revenues and expenditures will not match up due to changes in account activity. Farm license revenue in FY 16, for example, was higher than FY 17 due to yield payments received and credited from FY 15. The Ellis House tent expense was incurred as a lump sum payment compared to last year's monthly payment schedule.

Commissioner Gilmour asked what was coded to 2701-000-1325 - Other Revenues. Director Guritz reported that the amount coded to this line item represented a portion of the refund of Republic Services's overbilled amounts for trash service. The balance of the refund was coded to Hoover revenue. The Finance Committee provided direction to create a new Other Revenue GL code for Grounds and Natural Resources.

## **VIII. Presentation – Progressive Energy Group Energy Supplier Recommendations**

Chris Childress with Progressive Energy Group presented a report on recommended energy suppliers, including contracts and projected savings.

Mr. Childress reported that energy supply costs are currently at a historical low, making it an ideal time to enter into longer term contracts based on the futures markets.

Progressive Energy Group audited the District's electric and natural gas accounts. Based on supplier quotes, Progressive Energy Group recommended entering into a 20-month contract with Dynegy Energy Services, LLC for electricity supply at a fixed cost of \$0.06282 per kilowatt hour beginning October 2017 when the District's current contract expires in order to take advantage of including the District's accounts within Kendall County's next competitive bidding cycle.

Progressive Energy Group recommended continuation with Santanna Energy Services for another 12-month contract, renewable month-to-month thereafter, to lock in a variable cost based on the Natural Gas Intelligence Index plus \$0.04 cents per therm.

The resulting savings for electricity is \$1,032, which does not include an additional \$1,200 in avoided charges from increased capacity costs.

The resulting savings for natural gas is \$82.00, with an additional municipal and sales use tax savings of \$58.99.

The total resulting annual savings will be \$1,172.00.

Commissioner Cullick entered the meeting at 5:02 pm.

The Finance Committee reviewed the report and accompanying contracts, directing staff to present the service contracts as presented to Commission for approval.

Commissioner Prochaska made a motion to forward the Santanna Energy Services and Dynegy Energy Services, LLC contracts to Commission for approval. Seconded by Commissioner Cullick. All, aye. Opposed, none.

## **IX. Hoover Forest Preserve Fuel Tank Supplier Proposals**

The Finance Committee discussed the proposal received from GRAINCO FS for restoring the two 500-gallon tanks at Hoover Forest Preserve into service. Director Guritz reported that he was waiting to hear back from Elburn Coop from their Newark office, which presently supplies fuels to the Kendall County Highway Department. Elburn Coop has stated that if they have a spare, used tank available, the fuel tank can be delivered to Hoover Forest

Preserve at no cost. Otherwise, the District would need to enter into a lease-to-own contract, after which the costs of the two proposals can be prepared.

Director Guritz stated that regardless of the supplier, the District will need to evaluate and possibly repair the electric service line(s) extending from the Old Shop building to the fuel pump(s) concrete pad located a short distance away.

The Finance Committee discussed the GRAINCO FS proposal received. Commissioner Davidson stated that the tanks at Hoover have been abandoned, and should be considered District property. Director Guritz asked if the Committee had any additional directions to pursue in order to reach a final recommendation. The Finance Committee indicated that once the Elburn Coop proposal is received, the Committee will develop a recommendation for Commission consideration.

## **X. Trash Removal and Recycling Services Bid Opening Results**

The Finance Committee reviewed the bid results for trash removal and recycling services for the District.

Director Guritz expressed appreciation for Latreese Caldwell's efforts, and support of District staff members' participation with the evaluation of trash pickup service needs, which has generated significant savings over the prior contract.

Director Guritz reported that Waste Management was the low bidder, extending annual trash removal service fees of \$3,986.27. Republic Services was the second lowest bidder, with extended annual service fees of \$4,010.00.

The District is currently in discussions with Waste Management, and expects to receive contract service agreements that will be reviewed by the State's Attorney's Office and presented to Commission for approval likely during the May 2, 2017 Commission meeting. The District's bid specifications did include a contract document that will act as the controlling document, with the Waste Management agreements incorporated as a contract addendum, if acceptable.

Director Guritz reported that following the bid opening, Waste Management requested that the trash dumpster at Hoover be reduced in size from a 10 cubic yard unit picked up once per week to an 8 cubic yard unit picked up twice weekly. Director Guritz responded that this would be acceptable, with pickups to be scheduled on Fridays and Mondays.

The anticipated savings for trash and recycling pickup is \$3,066.37 each year over the three year contract period.

Commissioner Cullick made a motion to forward the final contract with Waste Management to Commission for approval following review by the State's Attorney's Office. Seconded by Commissioner Prochaska. All, aye. Opposed, none.

## **XI. Dump Truck Vehicle Bid Specifications Overview**

Director Guritz reported that the bid specifications for the purchase of a replacement 1-ton dump truck have been published online, with notification posted in the Kendall County Record on April 6, 2017. The bid specifications and bid form require bidders to submit a base bid representing the purchase of a 1-ton dump truck, with a hydraulic stainless steel dump box, snow plow assembly, and tailgate mounted salt spreader, and deduct alternates including the trade-in value of the 1991 GMC 1-ton dump truck, substitution of a mild steel dump box, and deduct for the tailgate mounted spreader which would not be recommended for purchase should Commission elect to purchase a replacement truck with a mid steel dump box.

Director Guritz explained that per Finance Committee request, the bid form was modified to include a deduct alternatives in order to determine the price difference between purchase of the stainless steel dump box versus the mild steel dump box. Director Guritz explained that if a mild steel dump box is selected, the District will need to identify and purchase a separate salt spreader bin assembly that will be retrofit within the dump box to protect the mild steel.

Director Guritz invited Superintendent Olson to the meeting to provide further detail on the District's needs and uses for the new vehicle.

Commissioner Davidson stated that the Kendall County Highway Department trucks are all mild steel. Director Guritz stated that the Highway Department has sufficient staff to properly care for their vehicles after each use to prevent significant corrosion of the bed.

Commissioner Davidson expressed concerns with the cost and maintenance of the box-mounted bid spreaders. Director Guritz agreed, reporting that the District has had to service the Tornado bin spreader units, replacing belts and chains that have been damaged or worn down over the years.

Commissioner Davidson expressed concerns that the diesel engine specified will require electricity for preheating of the starter four months out of the year. Commissioner Davidson expressed additional concerns that the District does not drive the truck enough to justify purchase of the diesel engine and stainless steel bed. Limited use could cause the fuel lines to gel up over time adding additional maintenance costs.

Director Guritz stated that he asked Superintendent Olson to provide the full picture of District use of the proposed vehicle so that Commission can make an informed decision when deliberating the bid results.

Superintendent Olson thanked the Finance Committee for allowing the time to explain the District's needs.

Superintendent Olson stated that the vehicle specifications were developed to allow for District use of the truck for multiple purposes over the winter months. The District currently uses cold-temperature formulated diesel fuel from Kendall County Highway Department over the winter months in all of its diesel trucks, and the truck will remain in the heated garage at Harris when not in use.

The estimated anticipated cost difference between mild steel and stainless steel is \$3,000, and will provide a return on investment in staff time, and load capacity which is increased by 500 pounds over the mild steel option. This means fewer trips, and less man hours. The added utility will allow the District to use the new truck all winter long for hauling gravel, brush and dirt loads between plowing and salting events.

Superintendent Olson stated that she works hard to provide options to Commission that provide the biggest bang for the buck in terms of cost, utility, and staff efficiency.

Director Guritz stated that the most compelling justification for purchase of the vehicle as specified is the added utility over the winter months. The salt spreader assembly is easily mounted, and takes up less storage. Currently, salt bins stay mounted in the truck bed over the winter season limiting utility. The new vehicle can be used for multiple purposes with the proposed salt spreader mounted in place over the winter months.

The stainless steel bed's longevity is matched with the anticipated longevity of the diesel engine.

Commissioner Gilmour asked whether there is a fuel savings by going with diesel.

Superintendent Olson stated that in the past there was a fuel savings, but currently there is no significant difference in fuel costs.

## **XII. Other Items of Business**

### **OmniTRAX Public Grade Crossing Applications**

Director Guritz reported that a Public Grade Crossing Application form has been received from OmniTRAX, Inc. and included with the Finance Committee packets for review. The OmniTRAX application form was requested from the company in follow-up to the District's request to construct trail improvements leading into the asphalt surfacing improvements recently completed at Millbrook South by Illinois Railway.

The application calls for a \$4,000 non-refundable application fee, and requires the District to reimburse the railroad for any cost incurred to install, maintain, and supervise construction improvements, with the public agency taking on all liability for accidents or injuries arising as a result of the installation.

In discussions with the Elizabeth McGuire, Manager for Railroad Real Estate with OmniTRAX, it was explained that the District had been negotiating a crossing agreement for

Hoover Forest Preserve after the District acquired the property from the Chicago Area Boy Scouts back in 2007. Elizabeth McGuire indicated that she had been working with Jason Pettit to draft a 'red-lined' agreement for Hoover Forest Preserve, but that communication had stopped, and the subject crossing agreement had not been completed.

Director Guritz stated that he requested a copy of the draft agreement for review, and informed Ms. McGuire that the company has not complied with the ICC order that requires the company to provide cost estimates and designs for the construction of proposed crossing improvements at Hoover Forest Preserve, and that he would need to discuss the application materials with the State's Attorney's Office and City of Yorkville Attorney, Kathleen Orr.

Director Guritz stated that the District will likely need to file applications, and enter into crossing agreements with OmniTRAX, Inc. and Illinois Railway because the company owns the property, and the District's property titles do not delineate a crossing easement. Director Guritz stated that he would be informing Commission of the development during the April 18, 2017 Commission meeting in order to request direction and feedback.

Separately, Director Guritz stated that he has reached out to Jennifer Kuntz, Assistant Chief Counsel with IDOT, and Kathleen Orr, Attorney for Yorkville to determine the process for informing the ICC that OmniTRAX, Inc. has failed to comply with the ICC order. This will require the District to reimburse the City of Yorkville for the associated legal fees to hold an initial conference and file the ICC notification of non-compliance with the order.

Director Guritz expressed concerns that OmniTRAX could block off the existing crossings, or hold up the progress that could impact the availability of the \$250,000 FHA grant for constructing the crossing improvements.

Commissioner Gilmour requested that the item be discussed with the full Board at the April 18, 2017 Commission meeting.

### **Henneberry Restoration and Mitigation Project Updates**

Director Guritz reported that Debbie Mika, President of the Whitetail Ridge Homeowners' Association, had contacted him following the presentation of the District's request for parcel access to complete the Henneberry restoration project, with a request for additional information related to the anticipated construction project timeline, work crew size, equipment use, and fencing materials, along with a request for consideration for the District's funding of improvements and 5-year maintenance within the access parcel.

A letter including a draft proposal has been developed for review which includes a proposed turf trail spur extension that would provide resident and District staff access (as well as a prescribed burn firebreak) to the restoration area for consideration.

The District will receive a formal response to the request for preserve access to complete the project following submission of the District's letter and proposal, and review and discussion by the HOA at their May meeting.

### **XIII. Executive Session**

Commissioner Cullick made a motion to enter into executive session under 2(c)1 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. Seconded by Commissioner Gilmour.

Roll Call: Commissioners Davidson, Gilmour, Prochaska, and Cullick, aye. Opposed, none.

Executive session called to order at 5:52 pm.

Commissioner Purcell attended the Executive Session.

Commissioner Davidson made a motion to adjourn from executive session. Seconded by Commissioner Prochaska. Aye, all. Opposed, none.

Regular meeting resumed at 6:17pm.

### **XIV. Other Items of Business (Continued)**

#### **Overview of Hoover Forest Preserve Geothermal Heating and Cooling System**

Director Guritz introduced Kyle Corniels, Service Technician for Artlip and Sons, Inc. to provide an overview of the geothermal heating and cooling system at Hoover Forest Preserve.

Mr. Corniels reported that Artlip and Sons was contracted for the installation of the geothermal heating and cooling system for Meadowhawk Lodge. This did not include the installation of the geothermal well and coil system, with their effort focused on installing the fittings within the building, and completing the connections the pumps that circulate the glycol solution that circulates from the geothermal field into the building.

The geothermal system operates similar to conventional system heat pumps, with the exception that the flow is reversed to bring in warmed or cooled glycol fluid from the field into the building depending on the time of year. The solution is cooler than the air temperature in summer months and warmer than the ambient air temperature in the winter months.



Instead of having a fan on the outside that uses outside air to remove heat from the refrigerant, the geothermal system uses the underground temperature in the well, and pumps the fluid at that temperature to maintain a constant temperature in the building.

Electric refrigeration systems are complex and not very efficient when the temperature drops below 32 degrees. Typically, homes having electric air conditioning systems also have electric heating systems, which is costly to run in the winter months.

Geothermal systems maintain a year round temperature of around 50 degrees (40 degrees at the lowest in the winter months). Heat is extracted from the ground, or put back into the ground, depending on the time of year.

This makes geothermal systems more efficient because it is easier to heat or cool the building over the course of the year because you are not heating, or extracting heat from hot or cold air temperatures in winter and summer.

Geothermal systems are more costly to install, but provides a higher-efficient system, and requires less maintenance because the heat pumps do not require combustion, which builds up residues over time and need to be cleaned periodically.

There are components that do need to be cleaned periodically, particularly where the electrical heat pump compressors are actuated, which can wear out over time. Maintenance focuses on insuring that the system is operating efficiently, and that the pump compressor actuators are not worn out and functioning effectively. This is part of the proposed annual maintenance scope of work. In addition, each of the five main air filters in the system need to be changed out once per year. Four of these filters service the main lodge area, and one filter handles the entry foyer of the lodge. Each of these air filters is tied to its own compressor and pump that draws in the glycol solution from the geothermal field. These five units should be inspected on an annual basis.

Because of the type of building, adequate air changes are required to meet ambient air quality standards. In order to accomplish this, a large amount of outside air is brought into the building through the energy recovery ventilator (ERV). Anytime fresh air is introduced into a space, overall energy efficiency is reduced. The ERV is designed to pre-heat or pre-cool the outside air coming into the building using the temperature of the building's outgoing air to boost energy efficiency.

The incoming air is balanced by volume with the outgoing air through the ERV to keep the pressure static between the inside and outside of the building. The ERV is the dirtiest piece of equipment for the building, requiring a change of the filters and belts every 6-months. Whenever the building is programmed for occupancy, the unit is designed to kick on and change out the volume of air in the building based on indoor air quality standards.

Because the space is not heavily used, it is not necessary to change out the five main filters twice in a year.

Director Guritz asked whether an additional geothermal system was installed for the Caretaker's Residence. Mr. Corneils indicated that there are likely two geothermal wells handling each of the two air spaces for the lodge, but was not aware of other installed geothermal systems on the property.

Commissioner Davidson asked whether the system is actually saving the District money on energy use.

Mr. Corneils stated that he was not able to state an opinion on this, but expressed confidence that the system is operating effectively, citing energy consumption studies undertaken by other public agencies with similar system designs that documented a significant rate of return on the investment over conventional heating and cooling approaches.

Director Guritz asked whether Artlip and Sons handled other components. Mr. Corneils stated that Artlip and Sons also worked on the exhaust fans including the gas and oven range top exhaust system.

Mr. Corneils explained that one main pump keeps the glycol solution circulating in the closed loop. The other compressor pumps kick on to heat or cool the sections of the building when occupied based on temperature differential. The main pump is a very efficient variable speed pump. It does not take much energy to keep the glycol solution flowing when the building is not in active use.

Director Guritz inquired into whether the other HVAC system components including the blowers in the main lodge and foyer areas were installed and maintained by Artlip and Sons. Mr. Corneils stated that the HVAC system includes direct drive circular fans which his company does maintain and would inspect as part of the annual maintenance contract. This service includes checking the air handlers, fan motor bearings, and checking and flushing the static drains on each, as they do condensate during use.

Mr. Corneils stated that Artlip and Sons has been actively installing similar systems for schools in Aurora. Based on the pilot project, the school district is expanding orders for installation of geothermal systems for their other schools based on a proven 10-year anticipated payback after studying the first 2-years of operation.

Director Guritz asked whether the system installed at Hoover was overbuilt. Mr. Corneils stated that the system as designed is well built, but not overbuilt. The additional equipment installed allows heating and cooling to phase in based on the needs for the space.

**XV. Citizens to be Heard**

No public comments were offered by those in attendance.

**XVI. Adjournment**

Commissioner Davidson made a motion to adjourn. Seconded by Commissioner Prochaska. All, aye. Opposed, none. Meeting adjourned at 6:42 pm.

Respectfully submitted,

David Guritz  
Executive Director, Kendall County Forest Preserve District