

**Lake County Forest Preserves
Finance Committee Minutes – April 4, 2019**

The Lake County Forest Preserve District Finance Committee met on Thursday, April 4, 2019. The meeting was held at the District’s General Offices, 1899 West Winchester Road, Libertyville, Illinois.

1.0 Call to order - With a quorum present, Chair Terry Wilke called the meeting to order at 1:00 pm.

Committee Members Present:

Terry Wilke, Chair
Paul Frank, Vice Chair
Steve Carlson
Sandy Hart (at 1:05 pm)
Ann Maine
Mike Rummel
Julie Simpson
John Wasik

Also Present:

Angelo Kyle, President	Katherine Hamilton-Smith
Judy Martini (at 1:22 pm)	John Nelson
Alex Ty Kovach	Randy Seebach
Mike Tully	John Tannahill
Steve Neaman	Rebekah Snyder
Mary Kann	Ken Jones
Jim Anderson	Julie Gragnani
Jim Ballowe	Matt Norton, <i>Corporate Counsel</i>
Nan Buckardt	

Absent:

Michael Danforth

2.0 Pledge of Allegiance – Rebekah Snyder led the Pledge of Allegiance.

3.0 Addenda to the Agenda – None

4.0 Public Comment – None

5.0 Executive Director Comments – Finance Director Neaman reported that the IMRF preliminary contribution amount has gone up from 9.96% to 11.72%, a nearly 18% increase of roughly \$275,000 to \$300,000 increase in expenses for the next budget period. The increase is due to a 4% loss in investment earnings last year and a reduced assumed annual earnings rate from 7.5% to 7.25%. Mr. Neaman responded to questions from the committee and Executive Director Kovach continued with his report:

- A survey being conducted by the Conservation Foundation;
- Nearly 4,000 people attended various educational programs in March, including the *Marvelocity* exhibit at the museum;
- Working on the process to revisit the District’s five-year objectives;
- President Kyle authorized two fee waivers at Greenbelt: US Minority Contractors Assn meeting, and a College of Lake County meeting of their vendors;
- Photos/status of four current demolition projects; a fifth site at Fourth Lake is awaiting utility cutoffs. Staff responded to questions and Mr. Kovach said staff could update the committee on the status of building demolition next month.

6.0 Approval of Minutes – Motion by member Rummel, second by member Hart to approve the minutes of the March 7, 2019 open and closed sessions. Voice vote being had, the motion passed unanimously and the minutes were circulated for signatures.

7.0 Correspondence – None

8.0 Executive

8.1 Motion to (i) release Committee closed session minutes, (ii) retain as confidential all other Committee closed session minutes not previously released, and (iii) erase Verbatim Recordings in accordance with the Open Meetings Act and the District's Policy on Closed Meeting Minutes and Verbatim Records, as provided in Exhibit 1 to staff's memo dated April 1, 2019 – Staff recommended full release of closed session minutes from October 5, 1990, October 26, 1990, and August 30, 2018; and deletion of recordings from March 9, April 6, June 29, and August 31, 2017. Motion by member Maine, second by member Frank to approve as recommended. Voice vote being had, the motion passed unanimously.

9.0 Finance

9.1 Invoices and Requisitions – Motion by member Rummel, second by member Frank to approve the legal bill for January 2019. Voice vote being had, the motion passed unanimously and the bill was circulated for signatures.

10.0 Facilities

10.1 Recommend Approval of a Resolution awarding a Contract for Professional Real Estate Brokerage Services to Barrington RE Investment Services LLC, Long Grove, Illinois, for the purpose of leasing the second floor of the District's General Offices – Mr. Kovach provided background, noting that the District has lost potential tenants due to competing with areas closer to the tollway, and the large amount of vacant space in the area. Facilities Director Jim Ballowe added that he has been satisfied with Barrington RE Investment Services in the past. He responded to questions and a general discussion ensued. Member Hart said if possible she's like to get a breakdown of the hard costs of having the vacant space in the building; Mr. Kovach said staff could do an analysis of the cost of vacant vs. occupied space, and report back. Motion by member Simpson, second by member Frank to approve the recommendation as presented. Voice vote being had, the motion passed unanimously and the recommendation was forwarded to the full Board for approval.

11.0 Legislative Committee

11.1 Recommend approval of a Resolution Amending the 2019 Annual Legislative Program to amend the Downstate Forest Preserve District Act to change the threshold requirement for competitive sealed bidding The committee gave policy direction at the previous meeting to proceed with this Resolution. Mr. Kovach summarized the recommendation, noting that the threshold is currently \$25,000. Having the ability to go up to \$50,000 would require legislation, and would result in cost savings in the bidding process. Motion by member Maine, second by member Hart to approve the recommendation as presented. Voice vote being had, the motion passed unanimously and the recommendation was forwarded to the full Board for approval.

11.2 Recommend approval of a Resolution Amending the 2019 Annual Legislative Program by adding, as an objective to the Program, to amend the Downstate Forest Preserve District Act for the purpose of potentially increasing the maximum allowable tax rates for the General Corporate and Land Development levies by no more than .02% - The committee gave policy direction at the previous meeting to proceed with this Resolution. Mr. Kovach summarized the recommendation, noting that amending the Act would position the District to have the ability to put a question on the ballot asking the voters to allow the District's general corporate and land development levies to increase by a percentage of the Board's choosing for one or more levy years. Mr. Kovach and Finance Director Neaman responded to questions and a general discussion ensued. Motion by member Frank, second by member Hart to approve the recommendation as presented. Voice vote being had, the motion passed unanimously and the recommendation was forwarded to the full Board for approval.

12.0 Operations Committee

12.1 Recommend approval of a Resolution awarding a Contract to Purchase two 2020 Ford Utility Police Interceptor Hybrid Sport Utility Vehicles to Currie Motors, Frankfort, Illinois, in an amount not to exceed \$72,994.00 – Director John Nelson summarized the recommendation and explained that the Ford police vehicles have a higher rated MPG and will be a better value than the GM vehicles. The purchase of these SUV's, as well as the sedans in item 12.2 are over budget and Finance Director Neaman explained how the additional funding will come from the Vehicle Replacement Fund and recalculation of the annual user charge. Staff responded to questions and a general discussion ensued. Motion by member Hart, second by member Rummel to approve the recommendation as presented. Voice vote being had, the motion passed unanimously and the recommendation was forwarded to the full Board for approval.

12.2 Recommend approval of a Resolution awarding a Contract to Purchase three 2019 Ford Police Responder Hybrid Sedans to Roesch Ford, Bensenville, Illinois, in an amount not to exceed \$81,879.00 - Motion by member Rummel, second by member Hart to approve the recommendation as presented. Voice vote being had, the motion passed unanimously and the recommendation was forwarded to the full Board for approval.

13.0 Planning Committee

13.1 Policy direction regarding a potential collaboration with the U.S. Army Corps of Engineers and their Continuing Authorities Program Section 206 Aquatic Ecosystem Restoration at Dutch Gap Forest Preserve – Mr. Kovach explained the potential for up to \$15 million in restoration at Dutch Gap. \$10 million would be federal funds and \$5 million would be the local sponsorship, which would be satisfied by the District's LERRD value of the land, up to \$5 million. Five years ago the LERRD value was \$6,000 to \$6,500/acre for wetlands; this program would require a new appraisal. Natural Resource Director Jim Anderson continued, noting that Dutch Gap initially did not make the final cut even though it was the District's preferred site. Now the Corps submitted this project and received funding approval through its CAP program. He explained the process including a Federal Interest Determination, which needs to be completed in May. The District would then submit a letter of intent to work with the Corps on the project. Next would be a feasibility study, which the District would have to split the cost with the Corps. This is estimated to be around \$150,000 for our share and funds are available for this in the Wetlands Management Fund, which can only be used for the Des Plaines River watershed. The next step would be a Project Partnership Agreement that would provide that the District's LERRD value would satisfy its local share, up to \$5 million. The Corps would complete the project within three years followed by a five-year maintenance and monitoring period. Mr. Anderson added that the scope of the project would be adjusted down if necessary to fit the LERRD value of the land when it is determined. He also noted that the District would prefer to hire the engineer. Staff responded to questions and a general discussion ensued. The consensus of the committee was to proceed.

13.2 Recommend approval of a Resolution awarding a Contract for the Rollins Savanna – Gurnee Trail Connection to Copenhaver Construction, Inc., Gilberts, Illinois in the Contract Price of \$393,791.00 – Planning Director Randy Seebach summarized the trail connection project and noted that the low bidder did not submit required surety and insurance letters, and made mistakes in his bid numbers. Mr. Seebach responded to questions and a general discussion ensued. Motion by member Carlson, second by member Hart to approve the recommendation as presented. Voice vote being had, the motion passed unanimously and the recommendation was forwarded to the full Board for approval.

14.0 New Business

14.1 Endowment discussion – Mr. Kovach noted that as the District looks into the future for funding sources, it should start working toward an endowment to help fund ongoing maintenance in the CIP. The

goal needs to be achievable and he felt that a 4% return or \$800,000 annually would put the endowment target at \$20 million. He asked for feedback from the committee. Development Officer Rebekah Snyder noted that endowments tend to focus around planned giving, which would be encouraged, but would focus on talking to donors about making cash gifts. Mr. Kovach and Ms. Snyder responded to questions and a discussion ensued. Mr. Kovach asked if the next step should be a policy direction from the committee to the Preservation Foundation and the committee members agreed. He added that during the process for the upcoming revisions to the District's strategic plan objectives, establishing an endowment should be an objective.


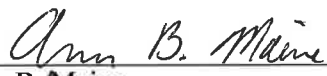
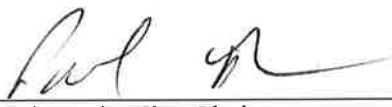


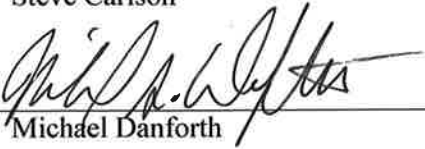


15.0 Old Business - None

16.0 Closed Session - Motion by member Rummel, second by member Simpson to go into closed session for the purpose of discussing purchase or lease of real property. Roll call vote being had, the motion passed by the following vote: AYES: 8, NAYS: 0. Member Simpson left the meeting following the roll call. The committee went into closed session at 2:40 p.m. and returned to open session at 2:49 p.m.

17.0 Next meeting: May 9, 2019

18.0 Adjourn – With no further business, Chair Wilke declared the meeting adjourned at 2:49 p.m.

APPROVED:

	<u>Aye</u>	<u>Nay</u>		<u>Aye</u>	<u>Nay</u>
 _____ Terry Wilke, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	 _____ Ann B. Maine	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 _____ Paul Frank, Vice Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	 _____ S. Michael Rummel	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 _____ Steve Carlson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>ELECTRONIC ATTENDANCE</u> _____ Julie Simpson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 _____ Michael Danforth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	 _____ John Wasik	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 _____ Sandy Hart	<input checked="" type="checkbox"/>	<input type="checkbox"/>			