1.0 CALL TO ORDER
The Special Call Meeting of the Board of Trustees of the McHenry County Conservation District was called to order at 5:00 p.m. by President Kranz on the evening of Thursday, June 6, 2019 at the Brookdale Administrative Offices, 18410 US Highway 14, Woodstock, Illinois 60098.

2.0 ROLL CALL
2.1 Roll Call
Trustees Present: Dave Kranz, President
Vern Scacci, Vice President
Pete Merkel, Treasurer
Dave Brandt, Secretary
John Henning, Trustee
Carolyn Campbell, Trustee

Trustees Absent: Benjamin Washow, Trustee

Counsel & Staff Present: Elizabeth S. Kessler, Executive Director
John Kremer, Director of Operations & Public Safety
Andy Dylak, Director of Administration & Finance
Ed Collins, Director of Land Preservation & Natural Resources
Wendy Kummerer, Director of Marketing & Communications
Anne Basten, Executive Assistant
Brad Woodson, Natural Resource Manager
Amy Peters, Planning Manager

3.0 PLEDGE OF ALLEGIANCE
President Kranz led the Pledge of Allegiance.

4.0 PUBLIC COMMENTS
There were no public comments.

5.0 OTHER BOARD BUSINESS
5.1 Illinois Department of Commerce and Economic Opportunity Grants - Lost Valley Visitor Center Entrance Drive
A motion was made by Secretary Brandt, seconded by Treasurer Merkel, to adopt Resolution #19-23 authorizing the Executive Director to Execute the Illinois Department of Commerce and Economic Opportunity Program Grant Agreements 19-203096 for $125,000 and 19-203166 for $175,000 for the Lost Valley Visitor Center Entrance Drive as presented. A roll call vote gave the following results: Scacci-yes, Brandt-yes, Merkel-yes, Campbell-yes, Henning-yes, Kranz-yes.
Motion passed unanimously.

There was discussion about the process these two grants followed before agreements were received by the District and confusion related to budgeting and
ability to implement the bid and construction as well as the necessary GATA documenting. Treasurer Merkel confirmed what Director of Operations and Public Safety Kremer stated about the process of grants through the Department of Commerce and Economic Opportunity and that this confusion is expected. It was noted that as soon as the work is completed, the documentation will be submitted which is expected to be mid to late summer. There is no timetable for the funds to be received by the District.

5.2 Pleasant Valley Pasture Lease - Fitzgerald Parcel
A motion was made by Secretary Brandt, seconded by Vice President Scacci, to adopt Resolution #19-24 authorizing the Executive Director to execute the Land Preservation and Natural Resource Division Joint Grassland Venture lease agreements on the Pleasant Valley Conservation Area parcels from June 9, 2019 to October 31, 2019 as presented. A roll call vote gave the following results: Brandt-yes, Campbell-yes, Merkel-yes, Scacci-yes, Henning-yes, Kranz-yes.
Motion passed unanimously.

6.0 BOARD DISCUSSION
6.1 FY 2020-2021 Budget Process, Timeline & Communications Strategy
There was some reluctance to changing the current procedures by the Board of Trustees but Executive Director Kessler talked about some positive benefits to having the budget in place before the Fiscal Year actually starts allowing more time for changes before the statutory cut off. The downside is taking staff out of the field during our prime season to work on budget worksheets.
Executive Director Kessler reviewed the statutory process and the public notices required. It is expected that the next year will be a little tougher as it will be the first time through the timeline; however, she expressed confidence in the talented staff to make it work. There was further discussion about with whom there should be communication and at what point.
The anticipated redistricting after the census in 2020 for 2021 and a reduced county board size resulting in all County Board seats up for election in 2022 may change the contacts in the future and will put the District budget before the County Board before those elections.
Director of Operations and Public Safety Kremer noted that the project implementers may be pulled off projects as they are starting up in the fall or at critical stages and this board may see some additional delays. The personnel appraisals may need to occur at a different time of the year.
The consensus was to bring the revised timeline to the Board at the June 20, 2019 meeting for a vote and then shares it with the County Chairman and Finance Committee Chair through the County Board Liaison.

6.2 Capital Asset Management Plan (CAMP)
Director of Finance and Administration Dylak explained that Capital Assets are purchases greater than $5,000 and have an expected life span of greater than one (1) year. The Maintenance Management System is used for some of the smaller item replacement schedules such as waterproofing, painting, etc. which impact the operations budget rather than the Capital budget. The long-term replacement of items over ten (10) years is not supported by the General Fund and significant assets of over $10,000 usually last more than five (5) years and include: Vehicles, Heavy
Equipment, Roads & Trails, Parking Areas, Bridges, and other site improvements such as: boardwalks, ramps, piers, stairs, etc.

The first CAMP was compiled in 2008 at which time, the board set aside $4.5M and $2M for payment on the Pichen Parcel.

In April 2013, the Capital Improvement Plan Fund (CIP) was established solely to fund CAMP needs. The consensus of the board is to change the name of this fund to Capital Asset Management Plan Fund at a future date officially to end confusion. The remaining funds of the $4.5M set aside were moved to this new fund out of reserves.

Director of Finance and Administration Dylak then showed the reductions made in the number of Capital Assets in the various categories between the FY 2015 and FY 2020 and the extended useful life estimates staff was able to achieve through preventive maintenance.

Director of Finance and Administration Dylak reviewed the CAMP items that are one-time needs such as building demolition, seeding and emergency repairs.

Director of Finance and Administration Dylak provided CAMP-Cost Summary information showing that the 2019 average annual cost has increased to $1,118,544 with a 10-year total cost estimated to be $11,185,440. This did not include items on the FY 2020 New Initiatives list which total an additional $2,138,238 which were not part of the ongoing CAMP of which $1,149,430 has no source of alternative revenue defined.

Director of Finance and Administration Dylak shared the projected 3/31/2020 unrestricted General Fund Balance available of $4,663,510; Capital Improvement Plan Fund is projected to be $542,354; and Dedicated Accounts Fund would only have $300,000 putting the Total CAMP estimated needs vs. available funding through 2030 at a $(7,808,058) deficit after the Loan Debt Service payments are made. He noted that the estimated short fall calculated in 2017 through 2027 was only $(4,857,085) but with additional years of holding levies or reducing them, would increase the deficit additionally.

There was discussion about a potential that the District would run out of funds before the Bond Service Debt is paid off in 2026 with the opportunity to seek a partial bond issuance at that time. Further discussion was focused on Federal LWCF grant funding; however, that funding source does not yet have a distribution plan in place. At least the District has the details of our needs spelled out in order to move when the opportunity arises.

6.3 Natural Capital Improvement Plan

Director of Land Preservation and Natural Resources Collins presented the Natural Capital Improvement Plan and spoke about the related expenses. Only a small portion is conventional infrastructure (tiles, water control structures, etc.). The land itself is valued at approximately $288M. The next expense is land restoration and reconstruction costs and hydrological modifications if needed. The Division believes they will need to begin drawing on CAMP funds in 2022 as outlined in the Land Preservation Major Projects 2020-2025 document to pay for seed, plants and trees. There are 5,815 acres of “Habitat Opportunity Areas” that the District has not begun major land management efforts on which still provide some habitat and valuable ecosystem services.

The LPNR Division will be working on a Farm Field Consolidation Plan by reducing the number of small fields that are under 80 acres of row crops or conventional hay fields which is expected to improve administrative efficiency of the
farm lease program. This would also include complete conversion of crop land to managed habitat on seven (7) parcels.

Director of Land Preservation and Natural Resources Collins also noted that the Coon Creek area will not be finished in the foreseeable future because it would need 18,000 acres to restore properly.

Director of Land Preservation and Natural Resources Collins included the eventual need for additional staffing in the future.

6.4 Strategic Planning - FY 2021 to FY 2023

The group began reviewing the Strategic Initiatives & Goals on Page 7 of the handout. The consensus was that the Direction, Purpose and Goals under ‘Our Water’ were good. There is still issues with the words ‘key’ parcels and ‘accessible sites’ definitions under Our Land which still need clarification or the words changed.

The consensus of the group was that the Our Community and Our Stewardship items were approved to move forward.

7.0 EXECUTIVE SESSION

At 8:10 p.m., a motion was made by Secretary Brandt, seconded by Trustee Campbell, to go into Executive Session pursuant to exception 2C1 (Personnel) of the Open Meetings act. A roll call vote gave the following results: Henning-yes, Scacci-yes, Brandt-yes, Campbell-yes, Merkel-yes, Kranz-yes.

Motion passed unanimously.

8.0 RECONVENE

The Special Call Meeting of the Board of Trustees of the McHenry County Conservation District was called back to order at 9:19 p.m. by President Kranz on the evening of Thursday, June 6, 2019 at the Brookdale Administrative Offices, 18410 US Highway 14, Woodstock, Illinois 60098.

2.0 ROLL CALL

2.1 Roll Call

Trustees Present: Dave Kranz, President
Vern Scacci, Vice President
Pete Merkel, Treasurer
Dave Brandt, Secretary
John Henning, Trustee
Carolyn Campbell, Trustee

Trustees Absent: Benjamin Washow, Trustee

Staff Present: Elizabeth S. Kessler, Executive Director

A motion was made by Secretary Brandt, seconded by Trustee Campbell, to adjourn the meeting. A voice vote resulted in all ayes.

Motion passed unanimously. Meeting adjourned at 9:20 p.m. June 6, 2019.

Respectfully submitted,

Dave Brandt, Secretary

Date

Open Session Special Call Minutes 6.6.2019