



## FOREST PRESERVE DISTRICT OF KANE COUNTY

### FINANCE AND ADMINISTRATION COMMITTEE EXECUTIVE SESSION MINUTES

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#### I. Entered into Executive Session

The Finance and Administration Committee Executive Session was held Tuesday February 23, 2016 at 2:30 PM at the Administration Offices located at 1996 S. Kirk Road, Suite 320, Geneva, IL 60134. Motion by Commissioner Haimann, second by Commissioner Pollock.

#### Members Present:

Attendee Name	Title	Status	Arrived/Departed
Mark Davoust	Chairman	Present	
Michael Kenyon	President	Present	
Rebecca Gillam	Commissioner	Present	
Joseph Haimann	Commissioner	Present	
John Hoscheit	Commissioner	Present	
Philip Lewis	Commissioner	Present	Departed at 3:15 PM
John Martin	Commissioner	Present	
Brian Pollock	Commissioner	Present	

#### Staff Present:

Monica Meyers, Executive Director, Ken J. Stanish, Jerry Hodge, Attorney, Ellen J. Maglio, Recording Secretary.

#### Executive Session to Discuss Land Acquisition, Contracts, Litigation and Personnel

##### Identification of Key Revenue Sources Concerns – Direction to Staff

**Golf Courses** – the current agreements with the golf courses expires in March of 2017 for both Golf Visions and Meyers Family Golf. The question would be if we negotiate with our current vendors to extend the existing time frame from March of 2017 to November of 2017, or just produce RFPs with the time frame to change so that the season is closed and there is more marketing opportunity for a potential new vendor.

The decision would also be whether to make an RFP for one vendor all three properties or we use the competition to our advantage to have more than one vendor operating the facilities.

Chairman Davoust would suggest that we stay with current vendors at the current rate with an adjusted date.

The change of dates would make it more attractive to any vendor and would require current vendor to pro-rate using a 3-year average.

#### DISCUSSION:

*Commissioner Lewis stated that there is good feedback from public about current vendors. He suggested January 15 as an end date.*

*President Kenyon stated that the date would be better prior to Christmas.*

*Commissioner Hoscheit stated that the vendor is essentially getting another season.*

*Stanish replied that the rates would have to be negotiated and pro-rated.*

*Commissioner Pollock suggested that the negotiations with current vendor include an intention notice to state that if they intend to renew or just “walk away” in a three-month prior in preparation.*

***After discussion in Executive Session, the Committee agrees to move forward to current vendors to negotiate extension of contract to November of 2017, suggest an intention clause three-month notice and to discuss the payment schedule pro-rated for the season change.***

Presentation and Approval of a Third Amendment to the License Agreement with GolfVisions Management

This amendment is the formal amendment to the current License Use Agreement that allows GolfVisions to have a \$100,000 cash security held in escrow rather than the previous agreement requirement of a security bond of \$200,000.

**DISCUSSION:**

*Commissioner Hoscheit asked if GolfVisions is current on payments. Director Stanish indicated that they are current on payments.*

*President Kenyon suggested that at the time of further negotiations with Golf Visions we would return to the security bond, but if not would continue to use the cash in lieu. He also stated that we may need to be very specific in the language of the letter to indicate the definition of violation of our agreement. Since in November 2015, the bank denied the letter of credit and the District had little recourse other than the cash security.*

***After discussion in Executive Session, the Committee agrees to recommend the Golf Visions amendment moves to Executive Committee.***

**Farming** – the current agreements have all been renewed for the 2017 season. We have not received the Illinois report. In the view of projections, do we need to consider an increase or decrease in rates. This is our second largest revenue source of the General Fund. Current is \$1.4 million dollars.

**DISCUSSION:**

*Commissioner Lewis asked why we didn't change to a bid system. Suggested that we have further strategy conversation and look into this for the best interest of District.*

*Executive Director Meyers stated that we have many relationships with current farmers and citizens and that the bid process may allow for non-resident farming coops to run farms instead of citizens and may add to complications with current farmers of whom we have had long term relationships.*

*Commissioner Martin clarified that the 2016 rental agreements are locked in this is for the 2017 seasons.*

*Director Stanish related that the rates are based on soil yields. It is subjective and we are currently in the middle of the pack for pricing costs.*

*Executive Director Meyers stated that the process is subjective and it is an estimated prediction. We have had all but one farmer renewing their agreements, and the one farmer was retiring. Based on all returning farmers and that we are mid-market rate, staff would suggest that the rates remain so that the revenue would remain also.*

**After discussion in Executive Session, the Committee agrees to move forward to current vendors to continue at current rates based on mid-range market pricing. Will return to Committee if changes required.**

Riverboat Grant Monies – last year the District received \$150,000 in funding from the Riverboat Grant. It was suggested that we initiate the request for this grant cycle using an environmental project possibly at the Brunner Family Forest Preserve.

**After discussion in Executive Session, the Committee agrees to move forward and submit a request to the Riverboat Grant Committee.**

#### VIII. Exit Executive Session

<b>RESULT:</b>	<b>APPROVED WITH VOICE VOTE [UNANIMOUS]</b>
<b>MOVER:</b>	Joseph Haimann, Commissioner
<b>SECONDER:</b>	Brian Pollock, Commissioner
<b>AYES:</b>	Mark Davoust, Michael Kenyon, Rebecca Gillam, Joseph Haimann, John Hoscheit, John Martin, Brian Pollock
<b>ABSENT:</b>	Philip Lewis

Mark Davoust, Chairman  
Finance and Administration Committee  
Forest Preserve District of Kane County

Respectfully Submitted,

*Ellen J. Maglio*

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Recording Secretary