KENDALL COUNTY FOREST PRESERVE DISTRICT
FINANCE COMMITTEE MEETING MINUTES
NOVEMBER 10, 2015

I. Call to Order

Finance Committee Chair Cullick called the meeting to order at 5:32 pm in the Kendall County Board Room.

II. Roll Call

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

III. Approval of Agenda

Commissioner Gryder made a motion to approve the agenda as presented. Seconded by Commissioner Davidson. Aye, all. Opposed, none.

IV. Citizens to be Heard

No public comments were offered.

V. Approval of Claims in an Amount Not-to-Exceed $12,627.18.

Commissioner Gryder made a motion to forward claims to Commission for approval in the amount of $12,627.18. Seconded by Commissioner Wehrli.

The Finance Committee reviewed the claims listings. The Finance Committee discussed Claim #289 for the Regional Office of Education. Director Guritz reported that the payment to the ROE represents reimbursement of 50% of the proceeds from the Nature Quest summer program conducted in partnership with the ROE. The District collects registration payments, and splits proceeds with the ROE after direct supply purchases.

Commissioner Koukol inquired into Claim #297 for lumber from Menards. Director Guritz stated that the purchase was for lumber needed to repair and stabilize the support beams for the screened cabins.

Commissioner Cullick called the question. All, aye. Opposed, none. Motion passed unanimously.

The Finance Committee discussed the Kendall County Treasurer’s report for the operating fund for 10/31/15, noting that the Hoover full time salaries are over budget, with Ellis full time salaries under budget due to grounds maintenance staff restructuring that was implemented in the first part of the fiscal year.
Director Guritz stated that District staff will be making purchases in accordance with the approved ComEd Green Region grant budget approved by Commission.

Director Guritz reported on discussions held with County staff related to the District’s outstanding debt to Kendall County for insurance deductible payments. Director Guritz stated his preference is to pay off the balance over time. Director Guritz stated that ultimately this is a board decision for discussion, with direction received to list this item on the agenda for the upcoming Committee of the Whole meeting.

Director Guritz reported that additional sums will be incurred in the upcoming year for a current workers’ compensation open claim.

VI. IPMG Insurance Proposal Review

Director Guritz presented a report from IPMG showing insurance deductible options and premium costs. Director Guritz reported that Rich Ryan with Wine-Sergi was working on securing an alternate proposal from Traveler’s Insurance for price comparison.

Based on the quotes received, the District is not currently able to afford the costs associated with a standalone insurance policy.

The Finance Committee deferred further discussion to the Committee of the Whole, with the agenda item already scheduled for discussion, including a presentation from Wine-Sergi.

VII. FY 15-16 Health Insurance Plan Offerings and Schedule for Pro-Rated Distributions of Deductible Contributions to District Employees for the PPO High Deductible Plan

Commissioner Wehrli made a motion to forward to Commission approval the offering of two health insurance plans for FY 15-16; the HMO plan, and the PPO – High Deductible Plan with a health savings account with distribution of a lump sum deductible payment to District staff on January 1, 2016. Seconded by Commissioner Gryder.

Director Guritz presented a report showing staff enrollments in the various health plans offered, corresponding costs, and potential budget savings. Within the preliminary budget, the potential budget savings has been transferred to contingency in order to have the funds available for either additional health plan insurance premiums for District staff insurance coverage, or available for considering salary increases for the upcoming year.
Director Guritz recommended that the District follow suit with Kendall County with offering two health plans for District full time staff in the upcoming year to include the BCBS HMO health plan and the BCBS PPO-HSA health plan.

The Finance Committee stated that with the two plans offered, 100% of the District’s contribution towards the insurance deductible will be made at the start of the plan year.

Director Guritz stated he had met with staff that will need to transition to one of the two plans offered to review the coverages and deductible payments required under each plan.

Chairman Cullick called the question. Aye, all. Opposed, none. Motion passed unanimously.

VIII. Environmental Education Cost Center FY 15-16 Program Budget Amendments

Director Guritz presented amendments to the environmental education cost center program budgets. Director Guritz stated that minor adjustments have been made under cost center 304 for public programs. Revenue projections have been increased to $6,000, with this amount fully and directly offset by increases to part time salaries, supplies, and other expenditures. This change should provide sufficient appropriations to cover direct costs for development and delivery of public programs for the upcoming year.

IX. Monitoring Costs for the Hoover Forest Preserve Sanitary Wastewater Lagoons

Director Guritz reported on cost projections for monitoring of the Hoover Forest Preserve sanitary wastewater lagoons. Costs will not exceed $3,000 per year, with sufficient appropriations available in the Hoover Forest Preserve budget to cover the costs.

X. FY 15-16 Operating Fund – Preliminary Budget Updates

Director Guritz presented an updated preliminary budget for the FY 15-16 operating fund.

With the changes discussed, the operating fund shows a generated surplus of $6,694, with contingency increased from $1,000 to $9,840 based on the potential for savings that may be realized with the change in health insurance plan offerings. Generally, the program budgets are relatively unchanged, with flat budgets projected for environmental education services, with the exception of operational costs for the Laws of Nature center operations.

Director Guritz noted that grounds maintenance will be reduced to a flat budget through the reduction of allocated tax proceeds.
XI. FY 15-16 2007 Series Capital Fund – Preliminary Budget Updates

Director Guritz presented changes to the preliminary budget for the FY 15-16 2007 series capital fund. The $250,000 scheduled under Cropland Conversion has been removed, with the associated costs rescheduled to Henneberry Woods. Director Guritz stated that a model for cropland conversion has been developed, with this project bid in summer 2016.

Director Guritz reported that a $25,000 revenue and offsetting $25,000 expenditure has been scheduled for first phase development of the Nature Play Space at Hoover Forest Preserve, which will only be funded from outside contributions.

XII. Review of FY 15-16 Annual Budget and Appropriation Ordinances

The Finance Committee reviewed the draft FY 15-16 annual budget and appropriation ordinances.

Director Guritz presented a hand out showing corrected estimates for the combined budget appropriation ordinance.

Director Guritz stated that Latreese Caldwell had extended significant support in pulling together the combined budget and appropriation ordinance figures. Final figures will be confirmed in consultation with the Kendall County Clerk’s and Treasurer’s Offices, and actual fund budgets will be attached to the final ordinance.

Director Guritz stated that the 2009 bond debt series fund will be closed out through either expenditure or transfer of the remaining $1,552.

Commissioner Gryder made a motion to forward the FY 15-16 annual budget and appropriation ordinances to Commission for approval. Seconded by Commissioner Wehrli. Aye, all. Opposed, none.

XIII. Review and Discussion of a Second Draft of an Operating Fund Balance Policy for the Kendall County Forest Preserve District

The Finance Committee reviewed the second draft of the operating fund balance policy.

The operating fund balance goal has been reduced from six months as initially stated to a two to three month fund balance goal of $168,000 to $252,000 within the second draft.

The Finance Committee reached consensus to amend the policy by eliminating the provision that would allow for revenue transfers in from other funds in order to balance future fiscal year budgets.
Commissioner Gryder made a motion to forward the operating fund balance policy for the Kendall County Forest Preserve District Commission as amended. Seconded by Commissioner Koukol. Aye, all. Opposed, none. Motion passed unanimously.

The Finance Committee provided direction to discuss the fund balance policy and potential transfer of capital fund interest earnings to establish a positive fund balance with the Committee of the Whole.

XIV. Natural Beginnings FY 15-16 Program Budget Amendment

The Finance Committee deferred discussion of the Natural Beginnings program budget to the Committee of the Whole meeting.

XV. Executive Session

None.

XVI. Other Items of Business

None.

XVII. Citizens to be Heard

None.

XVIII. Adjournment

Commissioner Gryder made a motion to adjourn. Seconded by Commissioner Koukol. All, aye. Meeting adjourned at 6:40 pm.

Respectfully submitted,

David Guritz
Director, Kendall County Forest Preserve District
I. Call to Order

President Wehrli called the meeting to order at 6:45 p.m. in the Kendall County Board Room.

II. Roll Call

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

III. Approval of Agenda

Commissioner Gryder made a motion to approve the agenda as presented. Seconded by Commissioner Prochaska. 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 thanked Commission for the recent Kubota purchase. The new ATV has been picked up and is in use at Hoover Forest Preserve, with the other unit returned to Ellis.

The Environmental Education fall program schedule is wrapping up, with efforts underway to plan winter public programs, and begin marketing efforts to area scout organizations.

Negotiations have been concluded for the intergovernmental agreement with the United City of Yorkville, where the District will be dedicating a right-of-way for highway purposes in order to secure IDOT funding and assistance with construction of the warning devices and railway crossing gates.

Negotiations on the Schessler's Fen amended conservation easement, access easement, and natural areas management plan are underway. Once completed, a final ordinance and agreement will be presented to Commission for approval.

Efforts are underway to complete the final FY 15-16 budgets for Commission approval, with the ordinances drafted for review and discussion.

Improvements to the screened cabins have been completed at Hoover Forest Preserve to address a safety issue with the cabin support beams.
Director Guritz reported that Baker Forest Preserve tenant farmer Gene Homerding recently passed away. The District plans to send flowers to Jean Homerding.

The Committee of the Whole discussed the 61 acre parcel(s), and provided direction to secure bids for a three year lease agreement starting in 2016 after first checking with Jean Homerding on whether there are any plans to continue participation in the farm lease program.

VI.  **IPMG Insurance Coverage Proposal Review**

The Committee of the Whole discussed proposed insurance coverage for the District. Rich Ryan with Wine-Sergi presented the terms for coverage including the insurance premium costs and deductibles.

Rich Ryan stated that the two options for a standalone policy for the District have varying deductibles, with each option resulting in increased premiums based on the deductibles scheduled. A third option has been requested from Traveler’s Insurance, but this proposal needs to be finalized based on the additional information recently provided.

Rich Ryan stated that the driver for the increased premium costs proposed is for the buildings and properties owned by the District. Equestrian center operations are not seen as carrying a significant risk effecting coverage premiums.

President Wehrli thanked Mr. Ryan for developing the options, but stated that the District does not have the financial resources available to afford the alternate coverage options.

Commissioner Purcell stated that Kendall County is currently examining increasing the deductible for workers’ compensation.

Mr. Ryan reported that he is not finding alternate insurance products available on the market that would extend first dollar workers’ compensation coverage up to a certain dollar amount.

Director Guritz reported that the District has one open workers’ compensation claim that may incur additional costs within the District’s deductible limit for up to $60,000. Separately, the District has an outstanding balance owed to Kendall County for past claim payments totaling approximately $40,000.

VII.  **Natural Beginnings FY 15-16 Program Budget Amendment**

Director Guritz reported that the Programming and Events Committee reviewed the proposal for expanding Natural Beginnings programming into an additional one or two day afternoon session. Review of the proposal revealed that the District’s breakeven point for extending programming into one additional afternoon session is $575 per student with a
minimum enrollment of 5 students in the session. Based on this review, the District will not be pursuing expansion of the program to provide an additional afternoon session in the 16-17 school year.

Megan Gessler stated that the current afternoon session will allow for a mixed age group in the 16-17 school year. Within the current school year, the afternoon session is limited to 3-5 year old children. In the upcoming year, this will be expanded to include students up to 8 years old.

Director Guritz asked Mrs. Gessler whether the parents of younger age students would be opposed to having older students participate in the class. Mrs. Gessler stated that she had, and the parents did not express any concerns with the mixed-age group.

Director Guritz stated that the Natural Beginnings budget had been amended to include potential salary increases for lead instructors, with additional funds added to the professional development budget for Commission consideration.

The Committee of the Whole reviewed and discussed the Natural Beginnings program, including maximum enrollment and cancellation policies.

Mrs. Gessler stated that the District should have enrollment figures for the 16-17 school year by the end of January 2016.

**VIII. FY 15-16 Operating Fund – Preliminary Budget Updates**

Director Guritz presented changes made to the preliminary budget. Changes included an increase in contingency funding based on potential savings that could result from changes in staff enrollments within the health plans offered in 2016.

Additional changes have been made to the Environmental Education program cost center under Other Programs to provide sufficient appropriations for delivery of programs offered in partnership with other agencies, and new scout and birthday party program offerings.

Director Guritz reported that the tax allocation funding to Grounds and Resources will be reduced to present a flat budget for this cost center.

The operating budget projected surplus is $6,694. The budget includes increased contingency funds based on projected savings in health care coverage premiums, payment of insurance premiums, and a $5,000 payment to Kendall County for anticipated insurance claim deductible payments.
Commissioner Purcell inquired into whether the $44,000 in revenues for school programs is attainable. Director Guritz stated that this figure is based on the District’s past program year’s reservations under the updated and approved pricing structure.

Commissioner Purcell inquired into whether the $33,000 in revenues for camp programs is attainable. Director Guritz stated that this figure will require restructuring camp fees and charges and offerings for the upcoming year. The revenues presented in the budget are based on the restructure of the District’s summer camp offerings, based on this past summer’s enrollment figures. Director Guritz stated that this figure is attainable, but will require more aggressive marketing in order meet or exceed enrollment projections within the budget.

The Committee of the Whole discussed the budget for marketing and promotions. Director Guritz stated that the District’s budget is $3,500, and the Ellis budget is $4,500 for the year. The District did not expend this amount in the current fiscal year, but has significant needs to improve marketing in order to achieve our budget targets for program participation.

The Committee of the Whole discussed online registrations using RecPro. Director Guritz stated that the budget anticipates purchase of the module to allow for online registrations.

**IX. FY 15-16 2007 Series Capital Fund – Preliminary Budget Updates**

Director Guritz presented changes to the preliminary budget for the FY 15-16 2007 series capital fund. The $250,000 scheduled under Cropland Conversion has been removed, with the associated costs rescheduled to Henneberry Woods. Director Guritz stated that a model for cropland conversion has been developed, with this project bid in summer 2016.

Director Guritz reported that a $25,000 revenue and offsetting $25,000 expenditure has been scheduled for first phase development of the Nature Play Space at Hoover Forest Preserve, which will only be funded from outside contributions.

Commissioner Purcell inquired into the $62,000 listed under natural areas management. Director Guritz stated that this includes a $50,000 equipment purchase contingency, a $10,000 expenditure as required match to the District’s ComEd Green Region grant, and $2,000 for Fox River Bluffs restoration costs which will draw down the remaining reimbursement of funds available through the District’s Illinois Clean Energy Community Foundation grant.

The Committee of the Whole discussed the $750,000 OSLAD grant reimbursement. Director Guritz stated that reimbursement had been delayed due to IDNR requested changes to the
appraisal document. These changes have been delivered, and work is underway to develop a final billing statement for the project.

Funds are budgeted for public access capital improvements for Fox River Bluffs, but these funds will not be expended in the upcoming year. The funds are appropriated in order to have the appropriations necessary to apply for grants in the coming year to offset development costs.

X. FY 15-16 Tentative Budget and Review of Appropriation Ordinances

The Committee of the Whole discussed the draft appropriation ordinances.

Director Guritz stated that he has been working with Latreese Caldwell to amend the ordinance structure. The new structure will summarize revenue and expenditure sources within the combined budget, and include copies of the actual fund budgets attached to the appropriation ordinances.

Director Guritz reported that the 2009 Debt Series Fund is scheduled for a $1,552 expenditure and/or transfer in order to close the fund and take it off the books.

Director Guritz stated that he would be working with the Kendall County Clerk’s and Treasurer’s Offices to confirm the levy amounts scheduled by ordinance for the District’s remaining debt service funds, and amending the budget accordingly if needed.

XI. FY 15-16 Health Insurance Plan Offerings and Schedule for Pro-Rated Distributions of Deductible Contributions to District Employees for the PPO High Deductible Plan

Director Guritz presented a report showing staff enrollments in the various health plans offered, corresponding costs, and potential budget savings. Within the preliminary budget, the potential budget savings has been transferred to contingency in order to have the funds available for either additional health plan insurance premiums for District staff insurance coverage, or available for considering salary increases for the upcoming year.

Director Guritz recommended that the District follow suit with Kendall County with offering two health plans for District full time staff in the upcoming year to include the BCBS HMO health plan and the BCBS PPO-HSA health plan.

Director Guritz stated he had met with staff that will need to transition to one of the two plans offered to review the coverages and deductible payments required under each plan.
Commissioner Gryder stated that this is a win-win situation where the District’s costs will be possibly reduced within the two health plan enrollment options, with this savings potentially passed on to support staff salary increases.

XII. Review of the Draft Resolution and Intergovernmental Agreement #15-07 with the United City of Yorkville Dedicating a Right-of-Way for Highway Purposes over Hoover Road to Support the Construction of Warning Devices and Railroad Crossing Safety Gates

President Wehrli stated that the final terms of the intergovernmental agreement has been worked out thanks in part to the efforts of David Berrault of the State’s Attorney’s Office.

The intergovernmental agreement is needed in order to establish Hoover Drive as a public road in order for IDOT to move forward with completing the project.

The resolution and intergovernmental agreement is scheduled for approval at the upcoming Commission meeting, and will be presented to Yorkville’s City Council shortly thereafter.

Within the agreement, the District retains the property, extends liability coverage to the City of Yorkville, and commits to maintaining Hoover Road in perpetuity.

XIII. Review of the Draft Ordinance #15-08 and Agreement Amending the Conservation Easement, Extending an Access Easement, and Establishing a Management Plan for Schessler’s Fen

President Wehrli stated that under this agreement, the conservation easement boundaries will be adjusted to fit the lot lines, and the District is extended access to its property from the adjoining parcel’s driveway.

Director Guritz stated that final terms are under negotiation between The Conservation Foundation and Attorney Lisa Coffey.

XIV. Review and Discussion of a Second Draft of an Operating Fund Balance Policy for the Kendall County Forest Preserve District

Director Guritz reported that the second draft presented had one recommended amendment from the Finance Committee removing the provision that would allow for revenue transfers into operations from other funds in order to balance future fiscal year budgets.
The Committee of the Whole discussed the proposed policy, and amount of initial interest earnings transfer needed in order to establish a positive fund balance.

Director Guritz stated that effecting a transfer to establish a positive fund balance involves a number of considerations including repayment of all or a portion of the amount owed to Kendall County for past insurance claim deductibles paid, with an estimated balance of around $30,000, elimination of the District’s $34,000 audited fund deficit for the beginning of the current fiscal year, elimination of the District’s current operating fund deficit projected at $40,000, and the starting fund balance amount recommended by Commission.

Commissioner Davidson inquired into whether this needs to be included in the budget. Director Guritz stated that the transfer of interest earnings is not scheduled in the budget for the upcoming fiscal year. The capital fund includes sufficient appropriations within the current fiscal year budget to approve the transfer of interest earnings within the current fiscal year.

Commissioner Purcell noted that a two to three month fund balance is not sufficient to cover the District’s cash flow needs within the first six months of its fiscal year because tax proceeds are not typically received until June.

President Wehrli stated that transfer of six months of interest earnings would impact the amount of remaining funding available and needed to complete District projects, and not leave resources available in the capital fund to address any unforeseen issues like a high deductible payment.

Commissioner Purcell recommended calculating the amount of interest earnings to be transferred by adding the combined deficits for the current and past fiscal year, adding to this amount the repayment of the insurance claim deductible payments owed to Kendall County, and adding to this amount $168,000 representing two months of operational costs. This will force the District to watch the budget closely, and hopefully come up with a surplus in the upcoming year. If not, we’ll have to make decisions to cut expenses, but this gets the District off to a good start and sets a goal to work towards.

Commissioner Davidson suggested that this could be put into the reserve fund in two installments, one at the beginning of the year, one at the end of the fiscal year.

Director Guritz stated that the only issue with this is that we do not have the appropriations currently scheduled in the upcoming fiscal year budget.
Commissioner Gryder suggested that the District has the resources now to transfer a six month reserve balance, and should consider transferring the full amount to cover cash flow needs and work to conserve the balance.

Commissioner Gilmour inquired into what would need to occur if the fund balance fell below the two month expenditure level.

President Wehrli stated that the Commission would need to examine and determine where cuts would be made to the District’s budget to replenish the fund balance.

Commissioner Koukol inquired into whether the District will be able to draw down the fund balance. President Wehrli stated that the goal is to grow the fund balance year-to-year, not expend the funds that are initially transferred.

Commissioner Purcell stated that the amount transferred is separate from the goal and policy question. Regardless of the amount transferred, the District will need to present and work towards a surplus budget each year.

The Board of Commissioners provided direction to bring forward a motion at the following Commission meeting to approve the fund balance policy, and establish a two-month fund balance reserve by transferring sufficient interest earnings to cover the operating fund deficits, and repay Kendall County for claim deductible payments owed.

**XV. Citizens to be Heard**

Megan Gessler presented two memos to Commission, submitted to Director Guritz for consideration requesting consideration of salary increases for Natural Beginnings Lead Instructors and conference funding to allow Lead Instructors to attend a regional conference in December.

Megan Gessler stated that the conference registration is due November 20 for the two instructors for the January AEYOC Opening Minds conference in Chicago.

Within the memo, Megan Gessler indicated that Laura McCoy, former Environmental Education Supervisor, had provided her approval for staff to attend the conference.

Megan Gessler also presented a request to increase the salary of Natural Beginnings Lead Instructors from $10 to $12 per hour.

Jennifer Black, a parent of a student currently enrolled in Natural Beginnings, expressed her support for salary increases for Lead Instructors. Jennifer Black shared insights into the
Natural Beginnings budget, and suggested that she would submit her letter at some point following the meeting.

A petition signed by parents of students enrolled in Natural Beginnings was submitted to the District as part of the public record.

Kerry Sapet, a parent of a student currently enrolled in Natural Beginnings, expressed her support for salary increases for Lead Instructors. Kerry Sapet reported on the number of views a recent video posted to the internet received showcasing the Natural Beginnings program.

XVI. Relocation Towing Agreement Updates

Director Guritz provided a report on the towing rates for Grant Towing, Inc. President Wehrli stated that the rate information had been sent to Commission, and the agreement will be presented to Commission for approval.

Commissioner Koukol stated that he was not in favor of establishing a contract.

XVII. Winter 2015-2016 Public Programs

Director Guritz stated that the Programming and Events Committee had reviewed the winter programs, and is recommending approval of the fees and charges.

XVIII. Shaw Media Proposal for Website Development and E-mail Marketing

Director Guritz stated that the Programming and Events Committee had reviewed the Shaw Media proposal, and is recommending approval of the development of a website and one email marketing blast.

Commission packets included examples of websites produced by Shaw Media, and email campaign results.

The Committee of the Whole discussed the proposal, emphasizing the need for building in search optimization for the new site using key words.

Director Guritz stated that this will provide a new storefront for District programs, with eventual connections to online registration capabilities.

Consensus of the Committee of the Whole was to move forward with approval of the two items presented.
XIX. Review of Position Descriptions: Farm Manager and Resident and Events Coordinator

Director Guritz presented two draft position descriptions for review. Both descriptions are under review by the State’s Attorney's Office.

Commissioner Gryder asked about the primary responsibilities for the Farm Manager position.

Director Guritz stated that the Farm Manager is a part time position, with a requirement to establish residency in the apartment at Ellis House.

This position will be responsible for overseeing grounds and maintenance, providing assistance for weddings and events, and assist with overall site administration.

The Committee of the Whole discussed the Farm Manager position, focusing on whether the apartment will produce the incentive needed for attracting qualified candidates to fill the position.

XX. Executive Session

Commissioner Wehrli made a motion to enter into executive session under 2(c)1 of the Open Meetings Act for the purpose of discussing 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 Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, and Wehrli, aye. Opposed, none. Executive Session called to order at 8:50 pm.

Commissioner Koukol made a motion to adjourn from executive session. Seconded by Commissioner Prochaska. All, aye. Regular meeting reconvened at 9:05 pm.

XXI. Other Items of Business

The Committee of the Whole discussed potential raise increases for District staff in the coming year. A proposal and recommendation will be developed following budget approval, providing that a budget savings is recognized. This proposal and recommendation will be presented to Commission for review and approval.
XXII. Adjournment

Commissioner Gryder made a motion to adjourn. Seconded by Commissioner Prochaska. Aye, all. Opposed, none. Meeting adjourned at 9:10 pm.

Respectfully submitted,

David Guritz
Director, Kendall County Forest Preserve District
I. Call to Order

President Wehrli called the meeting to order at 9:00 am in the Kendall County Board Room.

II. Pledge of Allegiance

All present recited the Pledge of Allegiance.

III. Invocation

Commissioner Prochaska offered an invocation for the meeting.

IV. Roll Call

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

V. Approval of Agenda

Commissioner Cullick made a motion to approve the agenda as presented. Seconded by Commissioner Prochaska. Aye, all. Opposed, none.

VI. Citizens to Be Heard

No public comments were offered by those in attendance.

VII. Approval of Minutes

a. Forest Preserve Finance Committee Meeting – October 29, 2015 Forest Preserve
b. Forest Preserve Commission Meeting – November 3, 2015
c. Programming and Events Committee Meeting– November 4, 2015

Commissioner Cullick made a motion to approve the meeting minutes for the Forest Preserve Finance Committee meeting held on October 29, 2015; the Commission meeting held on November 3, 2015; and the Forest Preserve Programming and Events Committee meeting held on November 4, 2015 as presented. Seconded by Commissioner Prochaska. All, aye. Opposed, none. Motion passed unanimously.
VIII. Approval of Claims in an Amount Not-to-Exceed $12,627.18.

Commissioner Gryder made a motion to approve the claims list in the amount of $12,627.18. Seconded by Commissioner Cullick.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none.

IX. Resolution #15-07 Approval of the Dedication of a Right-of-Way for Highway Purposes to the United City of Yorkville over Hoover Drive in Order to Support the Construction of Warning Devices and Railroad Crossing Safety Gates

Commissioner Gryder made a motion to approve Resolution #15-07 approving the dedication of a right-of-way for highway purposes to the United City of Yorkville over Hoover Drive in order to support the construction of warning devices and railroad crossing safety gates. Seconded by Commission Prochaska.

President Wehrli stated that this project has been a priority for the past four years since the purchase of Hoover Forest Preserve. Federal funding has been earmarked for the project that will be completed by the Illinois Department of Transportation.

President Wehrli thanked Director Guritz for his diligence in working through the terms of the agreement.

Commissioner Gilmour stated that this is a necessary project, and is happy to see it moving forward.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none.

X. Motion to Approve the Offering of Two Health Plans – The Blue Cross Blue Shield HMO and the Blue Cross Blue Shield High Deductible PPO with Health Savings Plan to Full Time District Employees Starting with Plan Year January 1, 2016, to Include the District’s Distribution of 100% of the Annual Deductible Payment to All Employees Enrolled in the High Deductible PPO with Health Savings Plan as of January 1, 2016, with Prorated Payments to Employees Eligible for Enrollment in the Plan after January 1, 2016
Commissioner Cullick made a motion to approve the offering of two health plans – the Blue Cross Blue Shield HMO and the Blue Cross Blue Shield High Deductible PPO with Health Savings Plan to full time District employees starting with plan year January 1, 2016, to include the District’s distribution of 100% of the annual deductible payment to all employees enrolled in the High Deductible PPO with Health Savings Plan as of January 1, 2016, with prorated payments to employees eligible for enrollment in the Plan after January 1, 2016. Seconded by Commissioner Gryder.

Commissioner Davidson inquired into whether the elimination of the PPO plan will impact individual out-of-pocket costs for staff members that have high costs for prescription medications.

Director Guritz stated that with the District’s contribution of deductible payments directly to employees, and the reduction in the amount employees contribute to the plan, the out-of-pocket impact to District employees should be minimal. After the deductible is paid, the out-of-pocket maximum is paid on a copayment percentage basis, with 100% of costs covered after the out-of-pocket maximum is reached.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none.

XII. **Ordinance #11-15-01** Approval of the General Fund Tax Levy Ordinance of the Kendall County Forest Preserve District for the Fiscal Year Beginning December 1, 2015 and Ending November 30, 2016 in an Amount Not-to-Exceed $544,343

Commissioner Purcell made a motion to approve Ordinance #11-15-01 approving the general fund tax levy of the Kendall County Forest Preserve District for the fiscal year beginning December 1, 2015 and ending November 30, 2016 in an amount not-to-exceed $544,343. Seconded by Commissioner Cullick.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none. Motion passed unanimously.

XII. **Ordinance #11-15-02** Approval of the Combined Annual Budget and Appropriation Ordinance – An Ordinance Setting Forth the Annual Budget of the Kendall County Forest Preserve District for the Fiscal Year Beginning December 1, 2015 and Ending November 30, 2016 in an Amount Not-to-Exceed $6,776,547
Commissioner Cullick made a motion to approve Ordinance #11-15-02 approving the combined annual budget and appropriation ordinance setting forth the annual budget of the Kendall County Forest Preserve District for the fiscal year beginning December 1, 2015 and ending November 30, 2016 in an amount not-to-exceed $6,776,547. Seconded by Commissioner Gryder.

President Wehrli congratulated the Board and Director Guritz on achieving a balanced budget for the year.

Commissioner Purcell inquired into whether there were raises scheduled in the budget beyond those scheduled for Natural Beginnings, confirming that any and all raises will be brought back to Commission prior to approval. Director Guritz confirmed that recommendations will be presented to the Board prior to approval.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, Commissioner Koukol. Motion carried by a vote of 8 to 1.

XIII. Motion Approving a Proposal from WIPFLi CPAs and Consultants to Complete an Independent Audit for the Kendall County Forest Preserve District or the Fiscal Year Ending November 30, 2015 for an Amount Not-to-Exceed $7,500

Commissioner Gryder made a motion to approve a proposal from WIPFLi CPAs and consultants to complete an independent audit for the Kendall County Forest Preserve District or the fiscal year ending November 30, 2015 for an amount not-to-exceed $7,500. Seconded by Commissioner Prochaska.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none. Motion passed unanimously.

XIV. Motion Approving the Transfer of District Operating Funds to Kendall County for Payment of the Insurance Premium Assessed in FY 14 in the Amount of $47,076.91

Commissioner Cullick made a motion to approve the transfer of District operating funds to Kendall County for payment of the insurance premium assessed in FY 14 in the amount of $47,076.91. Seconded by Commissioner Prochaska.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none. Motion passed unanimously.
XV. Motion Approving the Transfer of Interest Earnings from the District’s 2007 Capital Fund to Kendall County to Repay the District’s Outstanding Balance of Insurance Deductible Payments in the Amount of $44,352.08

Commissioner Cullick made a motion to approve the transfer of interest earnings from the District’s 2007 Capital Fund to Kendall County to repay the District’s outstanding balance of insurance deductible payments in the amount of $44,352.08. Seconded by Commissioner Prochaska.

President Werhli stated that there is $5,000 available in the upcoming budget to address insurance deductible payments that may be accumulated, but this motion will repay the full balance owed to Kendall County per direction received from Commission.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none. Motion passed unanimously.

XVI. Motion Approving the Transfer of Interest Earnings from the District’s 2007 Capital Fund to the District’s Operating Fund to Establish a Fund Balance in the Amount of $242,812

Commissioner Cullick made a motion to approve the transfer of interest earnings from the District’s 2007 capital fund to the District’s operating fund to establish a fund balance in the amount of $242,812. Seconded by Commissioner Gilmour.

Commissioner Purcell inquired into the calculation for the total amount needed. Director Guritz stated that in the Commission packets, the amount of the transfer included a $34,812 posted deficit in the FY 13-14 audit, a projected deficit of $40,000 for FY 14-15, and $168,000 representing a two month expenditure for District operations.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none. Motion passed unanimously.

XVII. Resolution #15-010 Approving an Operating Fund Balance Policy for the Kendall County Forest Preserve District

Commissioner Cullick made a motion to approve Resolution #14-010 establishing an operating fund balance policy for the Kendall County Forest Preserve District. Seconded by Commissioner Prochaska.
President Wehrli stated that this policy establishes a fund balance and policy setting an initial target to grow this balance.

Commissioner Gryder stated that this this policy holds the District accountable for insuring that a balance budget is approved each year, and that cuts are made to the District’s budget to maintain and grow an operating fund balance year-to-year.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none. Motion passed unanimously.

XVIII. Motion Approving the Winter 15-16 Public Program Offerings and Participant Fees

Commissioner Cullick made a motion to approve the winter 15-16 public program offerings and participant fees as presented. Seconded by Commissioner Prochaska.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none. Motion passed unanimously.

XIX. Motion Approving a Resident House Lease Agreement with Jay Teckenbrock of Yorkville, Illinois Pursuant to an Extended Offer of Employment as Grounds Supervisor and Resident for Hoover Forest Preserve

Commissioner Cullick made a motion to approve the resident house lease agreement with Jay Teckenbrock of Yorkville, Illinois pursuant to an extended offer of employment as grounds supervisor and resident for Hoover Forest Preserve. Seconded by Commissioner Gilmour.

Director Guritz stated that over this past year, the District has worked with the State’s Attorney’s Office to develop a lease agreement for the Hoover Supervisor and Resident position. The lease agreement terms have been negotiated with Mr. Teckenbrock to include a $1,000 damage deposit, and does not include a pet addendum at this time.

Director Guritz also stated that as part of the agreement, the employee will not be required to pay rent so long as they are employed by the District, including such times where sick and vacation banks are depleted and the individual is unable to perform their regular duties due to a personal or family medical issue.

Commissioner Purcell inquired into how soon the individual needs to vacate following resignation or termination from employment. Director Guritz stated that this could be
negotiated, but would not consider allowing more than two weeks. President Wehrli stated that the agreement calls for termination of the lease agreement immediately following separation of employment.

Commissioner Gilmour asked how this is different from the prior employee in residence. Director Guritz stated that this agreement establishes the terms and conditions for the residence. This type of agreement was not in place in the past.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none. Motion passed unanimously.

XX. Motion Approving a Farm Lease Agreement With Kyle Connell for Hay Production at Baker Woods Forest Preserve

Commissioner Gryder made a motion to approve a farm lease agreement with Kyle Connell for Hay Production at Baker Woods Forest Preserve. Seconded by Commissioner Purcell.

Commissioner Purcell inquired whether the provisions had been revised regarding the buy-back provisions for surplus hay. Director Guritz stated that the changes had been made to the agreement. However, in follow up with Mr. Connell, he expressed concerns with the $4.00 per bale cost, which could result in the District retaining more hay for sale to the general public.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none. Motion passed unanimously.

XXI. Motion to Approve and Forward Farm Lease Agreement #15-11-001 with Trenton Toftoy to the Kendall County Board of Commissioners for the Lease of 99.42 Acres of District Property for a Total Amount of $29,826, and 18.44 Acres of Kendall County Property, for a Total Amount of $5,532

Commissioner Purcell made a motion to approve and forward farm lease agreement #15-11-001 with Trenton Toftoy to the Kendall County Board of Commissioners for the lease of 99.42 acres of District property for a total amount of $29,846, and 18.44 acres of Kendall County property for total amount of $5,532. Seconded by Commissioner Cullick.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, and Wehrli, aye. Abstain, Commissioner Shaw. Motion carried by a vote of 8 to 1.
XXII. Motion to Approve a Proposal from Shaw Media Inc. for Development of a 10-page Website and Distribution of a Promotional E-Mail for an Amount Not-to-Exceed $2,319

Commissioner Purcell made a motion to approve a proposal from Shaw Media, Inc. for development of a 10-page website and distribution of a promotional e-mail for an amount not-to-exceed $2,319. Seconded by Commissioner Prochaska.

Commissioner Davidson asked whether there are costs for upgrades of the website included in the proposal. Director Guritz stated that there is a one-time development fee, and a reoccurring $60 per month fee for hosting, maintaining, and updating the site thereafter.

Roll call: Commissioners Cullick, Davidson, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, none. Motion passed unanimously.

XXIII. Motion to Approve a Relocation Towing Agreement with Grant Towing, Inc. of Yorkville, Illinois

Commissioner Cullick made a motion to approve a relocation towing agreement with Grant Towing, Inc. of Yorkville, Illinois. Seconded by Commissioner Gryder.

Roll call: Commissioners Cullick, Gilmour, Gryder, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, Commissioners Davidson and Koukol. Motion carried by a vote of 7 to 2.

XXIV. Motion to Approve the Farm Manager and Resident and the Events Coordinator Position Descriptions

Commissioner Cullick made a motion to approve the Farm Manager and Resident and the Events Coordinator position descriptions as presented. Seconded by Commissioner Prochaska.

Commissioner Purcell inquired into whether these positions were included in the budget, and whether they were scheduled to perform work for less than 30 hours per week.

Director Guritz confirmed that both positions are included, and both positions are scheduled to work less than 30 hours per week.

Roll call: Commissioners Cullick, Gilmour, Gryder, Koukol, Prochaska, Purcell, Shaw, and Wehrli, aye. Opposed, Commissioner Davidson. Motion carried by a vote of 8 to 1.
XXV. Executive Session

None.

XXVI. Other Items of Business

President Wehrli thanked Commission for the time and effort put into the improvement of the District’s budget over this past year.

XXVII. Citizens to Be Heard

No public comments were offered by those in attendance.

XXVIII. Adjournment

Commissioner Gryder made a motion to adjourn. Seconded by Commissioner Cullick. Aye, all. Opposed, none. Meeting adjourned at 9:37 am.

Respectfully submitted,

David Guritz
Director, Kendall County Forest Preserve District
FARM LICENSE AGREEMENT #15-12-001

AGREEMENT made this 1st day of December, 2015 between the KENDALL COUNTY FOREST PRESERVE DISTRICT, a Body Corporate and Politic, 110 West Madison Street, Yorkville, IL, 60560, Licensor; and Mark Mathre, of 13505 Newark Road, Newark, IL, 60541, and Tom Mathre, of 10820 Helmar Road, Newark, IL, 60541, IL, Licensee, including all heirs and assigns.

WHEREAS, the Licensor is the owner of certain lands situated in the County of Kendall, Township of Fox and State of Illinois described as:

PIN#s: 04-03-300-002; 04-04-400-007; 04-04-400-011; 04-09-100-008; 04-10-100-001 (Millbrook North); and,

PIN#s: 04-16-151-007; 04-17-200-008; 04-17-300-003; 04-17-400-003; 04-20-200-001 (Millbrook South); and,

PIN#s: 04-28-300-002; 04-29-300-011; 04-29-300-013; 04-32-100-007; 04-32-100-005; 04-32-100-009 (Millington).

WHEREAS, Licensee desires to use the above-described real estate, for farming purposes with the structures utilized for the storage of crops and farm implements, and Licensor desires to have the real estate farmed and the buildings utilized.

WHEREAS, both Licensee and Licensor hereby agree that there are 157.31 tillable acres on the Millbrook North Parcel, 118.58 tillable acres on the Millbrook South Parcel, and 127.41 tillable acres on the Millington Parcel suitable for row crops, these tillable acres hereinafter referred to as the ‘Subject Property’; and the Licensor hereby grants to the Licensee a farm License in exchange for the following goods, services, and considerations, submitted as a use fee for a term of one (1) year, beginning on January 1, 2016, and ending on December 31, 2016 subject to the conditions and limitations hereinafter mentioned.

Licensee shall pay Licensor a Base Rate of $200 per tillable acres on the Millbrook North Parcel, $215 per tillable acre on the Millbrook South Parcel, and $180 per tillable acre on the Millington Parcel for the License year. The Base Rate shall be payable no later than May 30, 2016, and Licensee agrees that failure to pay by this date may terminate this License.

Licensee shall pay Licensor a Flexible Rate equal to:
(((Average Grain Price - Basis) x Yield) + Crop Insurance) x 33.33% - Base Rent
(See Exhibit A for example.)

Average Grain Price shall be calculated by utilizing the closing price on the Chicago Board of Trade futures market on the first trading day of each month from January through October. The Basis shall be fixed at $0.30 for corn and $0.40 for soybeans.

The Yield shall be the amount of dry bushels harvested divided by the tillable acres as provided on page 1 of this agreement.
Crop Insurance shall be any funds from a multi-peril or crop hail claim on the Subject Property collected by the Licensee, less the premiums paid on such policy(s).

The Flexible Rate is payable on or before December 31. Should the computed Flexible Rate be less than the Base Rate, then the Base Rate shall be the total due to Licensor.

NOW, THEREFORE, in consideration of the grants, covenants, and conditions of this Agreement, IT IS HEREBY AGREED AS FOLLOWS:

1. The proceeding introductory language is made a part hereof and incorporated herein.

2. This Agreement grants only a contractual license to use the Subject Property under the terms and conditions stated above. Further, the rights granted by District herein shall vest only in Licensee and no such rights shall vest in any of Licensee’s employees, agents, subcontractors or partners, if any. Nothing in this Agreement shall be construed to convey to Licensee any legal or equitable interest in the Subject Property.

3. Licensor makes no claims as to the tax status of the Subject Property. In the event the Subject Property shall be assessed and taxed pursuant to the process outlined in 35 ILCS 205/19, it shall be the obligation of the Licensee to pay such taxes as are incurred during the term of this license. In the event the Subject Property becomes taxable at any time during the term of this License, Licensee shall be required to pay those taxes that are incurred during the term of this License. At the termination of this Agreement, Licensee shall pay tax incurred during the term of this license, though not yet due and owing. Where taxes have yet to be determined, Licensee shall pay the estimated taxes based on 100% of the previous year’s taxes. Any such taxes shall be prorated as needed.

4. The Licensor agrees that the Licensee may, without further license on the part of the Licensor, use the Subject Property for the purpose of farming the land. If there are highly erodible soils on the Subject Property, the Licensee is responsible for maintaining the soil according to the methods adopted in Licensee’s farming plan approved by the Kendall County Soil and Water Conservation District. Said report must be submitted to the Licensor on or before ground breaking on the first year covered by this License. Failure to submit this report by this date may terminate this License.

5. The Licensee has inspected the Subject Property and structures prior to signing this Agreement and accepts the conditions of these “as is.”

6. The Licensee agrees to farm the Subject Property in a husband-like manner, utilizing conservation tillage methods.

7. Licensee shall keep and provide to the Licensor the following records:
   A. Soil Samples – The Licensee shall conduct annual soil testing (2.5 acre grid), with such costs split evenly with the Licensor. Soil test results shall be due to the Licensor by December 30. The Licensee shall apply the minimum amount of fertilizer required to maintain the soil fertility at:
      i. For corn, elemental P (phosphorus) shall be maintained at 80 pounds per acre and elemental K (potassium) shall be maintained at 50 pounds per acre.
ii. For soybeans, elemental P (phosphorus) shall be maintained at 50 pounds per acre and elemental K (potassium) shall be maintained at 75 pounds per acre.

B. Global Positioning System data of crops and yields harvested.

C. Fertilizers and rates applied.

D. Pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.

8. Fertilizer replacement of P (phosphorus) and K (potassium) will be calculated using crop removal method as outlined in the Illinois Agronomy Handbook. Replacement of P and K for a crop year calculated on total nutrient removal per tillable acre and applied at the Licensee’s expense for product and application. No carry over credit will be allowed from previous year’s application.

9. If Licensee applies limestone to the Subject Property, the cost of the limestone will be depreciated at 25% annually. If the Licensee farms the Subject Property for a period less than four (4) years, the Licensor will reimburse the Licensee for the cost of the limestone less the total annual depreciation. Lime shall be applied when less than 6.2.

10. The Licensee shall deliver and sell the crop yield to no buyers other than those listed below without the written approval of the Licensor. Licensee shall provide grain sheets to Licensor.

A. 

B. 

C. 

11. It is agreed that the tillable land on this farm should be devoted to row crops. The Licensor may require an un-tilled buffer a minimum of 10 feet from certain woodlands or waterways. This buffer shall be planted with a cover crop by the Licensee at the inception of this Licensee with a seed mix approved by Licensor. Licensor shall provide map to Licensee showing buffer areas to be planted.

12. Pesticide Use

A. Licensee shall, and shall cause all other persons working on the Subject Property, to follow all label instructions of any pesticides used on the Subject Property. Upon signing this Agreement, Licensee shall supply Licensor with a copy of a valid State of Illinois pesticide applicator’s license for each person who will be applying pesticide on the Subject Property during the term of this Agreement. If any such licenses expire during the term of this Agreement, Licensee shall be responsible for obtaining a renewal or new license to replace such an expired license and shall promptly provide Licensor with a copy thereof.

B. No pesticides shall be stored on the Subject Property unless they are in original, labeled containers, and then only during the period during which such pesticide is applied, which shall not exceed ten (10) days.

C. Licensee shall provide Licensor with a record of pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.
D. Licensee is responsible, at the Licensee’s sole expense, to repair any damage done to native vegetation due to pesticide drift and to repair rutting caused by farm equipment in non-tilled areas owned by the Licensor.

13. Licensee shall comply with all federal, state, and local laws, ordinances, rules and regulations that regulate, restrict or prohibit any material defined therein as a hazardous, radioactive, toxic or carcinogenic material, substance, pollutant, or contaminant when using such materials on the Subject Property.

14. The Licensee agrees to pay all utility charges and services to the structures located on the property for the term of this Agreement.

15. Licensee shall use the structures on Licensor property for storage purposes only and shall not permit anyone other than Licensee to utilize the structures without the prior written consent of the Forest Preserve Director. No dogs, cats, birds, or other animals or pets shall be kept in or about the structures. Licensee shall not permit the structures or surrounding property to be used for any unlawful purposes or in any manner that will unreasonably disturb neighbors or other tenants. Licensee shall not allow any signs or placards to be posted or placed on the structures without the prior written consent of the Forest Preserve Executive Director.

16. Licensee has inspected the structures prior to signing this Agreement and accepts this License with knowledge and concurrence of the existing condition of the structures. Licensee shall not make, permit, or allow any additions to or alterations of the structures without prior written consent of the Forest Preserve Director. Licensee shall deliver structures to District at the expiration or termination of this Agreement in as good condition as received, ordinary wear and tear expected. Repairs necessitated and routine maintenance shall be at the expense of the Licensee.

17. The Licensee agrees to take care of the Subject Property and the structures, not to alter or change the physical landscape of the Subject Property, or the structures on said property and to farm and to maintain improvements in a careful and prudent manner.

18. Upon termination of this Agreement, Licensor may request the Licensee to provide services associated with restoration of the Subject Property. Such services may include plowing, herbiciding, tilling, seeding, and maintenance mowing.

19. Licensor reserves the right to enter upon said land to inspect, make improvements thereon, and for any and all lawful purposes arising from the ownership of the land so long as it does not interfere with the rights of the Licensee, as provided in this License.

20. The Licensee agrees that this License is purely a personal license to use the Subject Property for farming purposes. The Licensor may terminate this Agreement at any time and for any reason by giving thirty (30) days notice in writing to that effect to the Licensee. In the event of any termination, Licensor shall pay the Licensee for planted but unharvested crops on the Subject Property on the basis of average county yield and unit price, based on available County data. Fertilizer and pesticide costs for planted but unharvested crops on the Subject Property shall be reimbursed, provided that the Licensee provides fertilizer and pesticide receipts for these costs. Other than amount for planted but unharvested crops, fertilizer and pesticide costs, as
provided in this section, Licensee hereby waives its rights to request or seek any other amount from Licensor in the event the License granted herein is terminated.

21. **Insurance & Liability**
   A. The Licensee shall maintain one million dollars ($1,000,000.00) of liability insurance on the Subject Property with an insurance company acceptable to the Licensor. Licensee shall purchase insurance with said company naming the Licensor as additional insured on the liability policy. Proof of such coverage must be on file with the Licensor on or before March 30, 2016. Failure to submit such proof by this date may terminate this License. Policy must cover all contractors hired by the Licensee to apply soil amendments, pesticides, or for other purposes, or the contractor must provide proof of insurance for the above referenced amount.
   B. Licensee shall obtain and maintain, at the Licensee’s expense, appropriate and adequate insurance coverage for the Licensee’s personal property in amounts determined by the Licensee to be adequate. Licensee shall provide a copy of all insurance policies to Licensor upon request of Licensor.
   C. Licensee shall hold harmless, indemnify, and defend the Licensor, its Commissioners, Officers, Agents, Attorneys and Employees against any and all losses, expenses, claims, costs, causes and damages, including without limitation litigation costs and attorneys’ fees, on account of (a) any failure on the part of the Licensee to perform or comply with any terms or conditions of this Agreement, or (b) any personal injuries or death or damages to property arising from, occurring, growing out of, incident to, or resulting directly or indirectly from the grant of this License or the use of the Subject Property or the structures by Licensee. The provisions of this section shall be in addition to, and shall not be limited by, the amounts of any insurance provided by Licensee pursuant to this Agreement.

22. This License is not assignable or transferable to any person, company, or corporation, in whole or in part.

23. It is mutually agreed that the Licensee is an independent contractor, not subject to the control of the Licensor and is not an employee of the Licensor.

24. Licensee shall, and without any charge to District, keep the Subject Property free of any and all liens against the Subject Property in favor of any person whatsoever for or by reason of any equipment, material, supplies or other item furnished, labor performed or other thing done in connection with Licensee’s use or occupancy of the Subject Property (a “Lien”). If the Subject Property becomes encumbered with any Lien, Licensor may, at Licensor’s option, terminate this Agreement or direct Licensee to remove any such lien from the subject property. Licensee shall remove such Lien promptly and, in any event, not later than five (5) days after being directed to do so in writing by District. District shall have the right to remove or satisfy any Lien upon the Subject Property at any time with or without notice to Licensee, and shall be reimbursed by Licensee within ten (10) days after such amount is incurred, any amount that District incurs to remove or satisfy the Lien, including the costs, expenses, attorneys’ fees, and administrative expenses incurred by District in connection therewith or by reason thereof.

25. Licensee shall give all notices, pay all fees, and take all other action that may be necessary to ensure that all activities on the Subject Property are provided, performed, and completed in
accordance with all applicable laws, statutes, rules, regulations, ordinances, and requirements, and all required governmental permits, licenses or other approvals and authorizations that may be required in connection with providing, performing, and completing such activities.

26. This Agreement shall be interpreted and enforced under the laws of the State of Illinois and the parties agree that the venue for any legal proceeding between them shall be Kendall County, Twenty-third Judicial Circuit, State of Illinois.

27. In any action with respect to this Agreement, the parties are free to pursue any legal remedies at law or in equity. The prevailing party by 75% or more of damages sought, in any action brought pursuant to this Agreement shall be entitled to reasonable attorneys' fees and court costs arising out of any action or claim to enforce the provisions of this Agreement.

28. If any provision of this Agreement shall be held invalid, the validity of any other provision of this Agreement that can be given effect without such invalid provision shall not be affected thereby. The waiver of one breach of any term, condition, covenant or obligation of this Agreement shall not be considered to be a waiver of that or any other term, condition, covenant or obligation or of any subsequent breach thereof.

29. This Agreement represents the entire agreement between the parties and there are no other promises or conditions in any other agreement whether oral or written. This agreement supersedes any prior written or oral agreements between the parties and may not be modified except in writing acknowledged by both parties.

Licensor - Kendall County Forest Preserve District

By: _______________________________ Date: _______________________________
    Jeff Wehrli, President

Licensee:

By: _______________________________ Date: _______________________________
    Mark Mathre, Farm Operator

By: _______________________________ Date: _______________________________
    Tom Mathre, Farm Operator
Exhibit A

Flexible Rate Calculation Example

For the following values for a 100 acre site with a base rent of $200 per acre:

- Average grain price = Corn $5 per bushel
- Basis = $0.30 per bushel
- Yield = 200 bushels per acre x 100 acres = 20,000 bushels
- Crop Insurance = 0
- Base Rent = 100 acres x $200 per acre = $20,000

$$(((\text{Average Grain Price} - \text{Basis}) \times \text{Yield}) + \text{Crop Insurance}) \times 33.33\% - \text{Base Rent}$$

$$(((\$5 - \$0.30) \times 20,000) + 0) \times 33.33\% - \$20,000 = \$11,330.20$$

The base rate amount is due May 30.
The flexible rate amount is due December 31.
FARM LICENSE AGREEMENT #15-12-002

Baker Woods Forest Preserve – East Section

AGREEMENT made this 1ST day of December, 2015 between the KENDALL COUNTY FOREST PRESERVE DISTRICT, a Body Corporate and Politic, 110 West Madison Street, Yorkville, IL, 60560, Licensor; and Dan Roberts, of 524 Wildy Road, Minooka, IL, 60447, Licensee, and Don Roberts, 560 Wildy Road, Minooka, IL, 60447, Licensee, including all heirs and assigns.

WHEREAS, the Licensor is the owner of certain lands situated in the County of Kendall, Township of Seward and State of Illinois described as:

PIN#s: 09-09-400-003 & 09-10-300-002

WHEREAS, Licensee desires to use the above-described real estate for farming purposes and Licensor desires to have the real estate farmed.

WHEREAS, both Licensee and Licensor hereby agree that there are 41.0 tillable acres suitable for row crops on the above referenced parcels, these tillable acres hereinafter referred to as the ‘Subject Property’; and the Licensor hereby grants to the Licensee a farm License in exchange for the following goods, services, and considerations, submitted as a use fee for a term of one (1) year, beginning on January 1, 2016, and ending on December 31, 2016 subject to the conditions and limitations hereinafter mentioned.

Licensee shall pay Licensor a Base Rate of $170 per tillable acre for the License year. The Base Rate shall be payable no later than May 30, 2016, and Licensee agrees that failure to pay by this date may terminate this License.

Licensee shall pay Licensor a Flexible Rate equal to:

$$(((Average\ \text{ Grain\ Price} - \text{ Basis}) \times \text{ Yield}) + \text{Crop\ Insurance}) \times 33.33\%) - \text{Base Rent}
(See\ \text{ Exhibit\ A\ for\ example.})$$

Average Grain Price shall be calculated by utilizing the closing price on the Chicago Board of Trade futures market on the first trading day of each month from January through October. The Basis shall be fixed at $0.30 for corn and $0.40 for soybeans.

The Yield shall be the amount of dry bushels harvested divided by the tillable acres as provided on page 1 of this agreement.

Crop Insurance shall be any funds from a multi-peril or crop hail claim on the Subject Property collected by the Licensee, less the premiums paid on such policy(s).

The Flexible Rate is payable on or before December 31, 2016. Should the computed Flexible Rate be less than the Base Rate, then the Base Rate shall be the total due to Licensor.
NOW, THEREFORE, in consideration of the grants, covenants, and conditions of this Agreement, IT IS HEREBY AGREED AS FOLLOWS:

1. The proceeding introductory language is made a part hereof and incorporated herein.

2. This Agreement grants only a contractual license to use the Subject Property under the terms and conditions state above. Further, the rights granted by District herein shall vest only in Licensee and no such rights shall vest in any of Licensee’s employees, agents, subcontractors or partners, if any. Nothing in this Agreement shall be construed to convey to Licensee any legal or equitable interest in the Subject Property.

3. Licensor makes no claims as to the tax status of the Subject Property. In the event the Subject Property should be assessed and taxed pursuant to the process outlined in 35 ILCS 205/19, it shall be the obligation of the Licensee to pay such taxes as are incurred during the term of this license. In the event the Subject Property becomes taxable at any time during the term of this License, Licensee shall be required to pay those taxes that are incurred during the term of this License. At the termination of this Agreement, Licensee shall pay tax incurred during the term of this license, though not yet due and owing. Where taxes have yet to be determined, Licensee shall pay the estimated taxes based on 100% of the previous year’s taxes. Any such taxes shall be prorated as needed.

4. The Licensor agrees that the Licensee may, without further license on the part of the Licensor, use the Subject Property for the purpose of farming the land. If there are highly erodible soils on the Subject Property, the Licensee is responsible for maintaining the soil according to the methods adopted in Licensee’s farming plan approved by the Kendall County Soil and Water Conservation District. Said report must be submitted to the Licensor on or before ground breaking on the first year covered by this License. Failure to submit this report by this date may terminate this License.

5. The Licensee has inspected the Subject Property prior to signing this Agreement and accepts the condition of this “as is.”

6. The Licensee agrees to farm the Subject Property in a husband-like manner, utilizing conservation tillage methods.

7. Licensee shall keep and provide to the Licensor the following records:
   
   A. Soil Samples – The Licensee shall conduct annual soil testing (2.5 acre grid), with such costs split evenly with the Licensor. Soil test results shall be due to the Licensor by December 30. The Licensee shall apply the minimum amount of fertilizer required to maintain the soil fertility at:
      
      i. For corn, P (phosphorus) shall be maintained at 80 pounds per acre and K (potassium) shall be maintained at 50 pounds per acre.
      
      ii. For soybeans, P (phosphorus) shall be maintained at 50 pounds per acre and K (potassium) shall be maintained at 75 pounds per acre.

   B. Global Positioning System data of crops and yields harvested.

   C. Fertilizers and rates applied.

   D. Pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.
8. Fertilizer replacement of P (phosphorus) and K (potassium) will be calculated using crop removal method as outlined in the Illinois Agronomy Handbook. Replacement of P and K for a crop year calculated on total nutrient removal per tillable acre and applied at the Licensee’s expense for product and application. No carry over credit will be allowed from previous year’s application.

9. If Licensee applies limestone to the Subject Property, the cost of the limestone will be depreciated at 25% annually. If the Licensee farms the Subject Property for a period less than four (4) years, the Licensor will reimburse the Licensee for the cost of the limestone less the total annual depreciation.

10. The Licensee shall deliver and sell the crop yield to no buyers other than those listed below without the written approval of the Licensor. Licensee shall provide grain sheets to Licensor.
   A. _______________________________________
   B. _______________________________________
   C. _______________________________________

11. Pesticide Use
   A. Licensee shall, and shall cause all other persons working on the Subject Property, to follow all label instructions of any pesticides used on the Subject Property. Upon signing this Agreement, Licensee shall supply Licensor with a copy of a valid State of Illinois pesticide applicator’s license for each person who will be applying pesticide on the Subject Property during the term of this Agreement. If any such licenses expire during the term of this Agreement, Licensee shall be responsible for obtaining a renewal or new license to replace such an expired license and shall promptly provide Licensor with a copy thereof.
   B. No pesticides shall be stored on the Subject Property unless they are in original, labeled containers, and then only during the period during which such pesticide is applied, which shall not exceed ten (10) days.
   C. Licensee shall provide Licensor with a record of pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.
   D. Licensee is responsible, at the Licensee’s sole expense, to repair any damage done to native vegetation due to pesticide drift and to repair rutting caused by farm equipment in non-tilled areas owned by the Licensor.

12. Licensee shall comply with all federal, state, and local laws, ordinances, rules and regulations that regulate, restrict or prohibit any material defined therein as a hazardous, radioactive, toxic or carcinogenic material, substance, pollutant, or contaminant when using such materials on the Subject Property.

13. The Licensee agrees to take care of the Subject Property, not to alter or change the physical landscape of the Subject Property and to farm in a careful and prudent manner.

14. Upon termination of this Agreement, Licensor may request the Licensee to provide services associated with restoration of the Subject Property. Such services may include plowing,
herbiciding, tilling, seeding, and maintenance mowing. Financial arrangement shall be mutually agreed upon by Licensor and Licensee should these services be requested.

15. Licensor reserves the right to enter upon said land to inspect, make improvements thereon, and for any and all lawful purposes arising from the ownership of the land so long as it does not interfere with the rights of the Licensee, as provided in this License.

16. The Licensee agrees that this License is purely a personal license to use the Subject Property for farming purposes. The Licensor may terminate this Agreement at any time and for any reason by giving thirty (30) days notice in writing to that effect to the Licensee. In the event of any termination, Licensor shall pay the Licensee for planted but unharvested crops on the Subject Property on the basis of average county yield and unit price, based on available County data. Fertilizer, lime, and pesticide costs for planted but unharvested crops on the Subject Property shall be reimbursed, provided that the Licensee provides fertilizer and pesticide receipts for these costs. Other than amount for planted but unharvested crops, fertilizer and pesticide costs, as provided in this section, Licensee hereby waives its rights to request or seek any other amount from Licensor in the event the License granted herein is terminated.

17. Insurance & Liability
   A. The Licensee shall maintain one million dollars ($1,000,000.00) of liability insurance on the Subject Property with an insurance company acceptable to the Licensor. Licensee shall purchase insurance with said company naming the Licensor as additional insured on the liability policy. Proof of such coverage must be on file with the Licensor on or before March 30th of the first year of the License. Failure to submit such proof by this date may terminate this License. Policy must cover all contractors hired by the Licensee to apply soil amendments, pesticides, or for other purposes, or the contractor must provide proof of insurance for the above referenced amount.

   B. Licensee shall obtain and maintain, at the Licensee’s expense, appropriate and adequate insurance coverage for the Licensee’s personal property in amounts determined by the Licensee to be adequate. Licensee shall provide a copy of all insurance policies to Licensor upon request of Licensor.

   C. Licensee shall hold harmless, indemnify, and defend the Licensor, its Commissioners, Officers, Agents, Attorneys and Employees against any and all losses, expenses, claims, costs, causes and damages, including without limitation litigation costs and attorneys’ fees, on account of (a) any failure on the part of the Licensee to perform or comply with any terms or conditions of this Agreement, or (b) any personal injuries or death or damages to property arising from, occurring, growing out of, incident to, or resulting directly or indirectly from the grant of this License or the use of the Subject Property or the structures by Licensee. The provisions of this section shall be in addition to, and shall not be limited by, the amounts of any insurance provided by Licensee pursuant to this Agreement.

18. This License is not assignable or transferable to any person, company, or corporation, in whole or in part.

19. It is mutually agreed that the Licensee is an independent contractor, not subject to the control of the Licensor and is not an employee of the Licensor.
20. Licensee shall, and without any charge to District, keep the Subject Property free of any and all liens against the Subject Property in favor of any person whatsoever for or by reason of any equipment, material, supplies or other item furnished, labor performed or other thing done in connection with Licensee’s use or occupancy of the Subject Property (a “Lien”). If the Subject Property becomes encumbered with any Lien, Licensor may, at Licensor’s option, terminate this Agreement or direct Licensee to remove any such lien from the subject property. Licensee shall remove such Lien promptly and, in any event, not later than five (5) days after being directed to do so in writing by District. District shall have the right to remove or satisfy any Lien upon the Subject Property at any time with or without notice to Licensee, and shall be reimbursed by Licensee within ten (10) days after such amount is incurred, any amount that District incurs to remove or satisfy the Lien, including the costs, expenses, attorneys’ fees, and administrative expenses incurred by District in connection therewith or by reason thereof.

21. Licensee shall give all notices, pay all fees, and take all other action that may be necessary to ensure that all activities on the Subject Property are provided, performed, and completed in accordance with all applicable laws, statutes, rules, regulations, ordinances, and requirements, and all required governmental permits, licenses or other approvals and authorizations that may be required in connection with providing, performing, and completing such activities.

22. This Agreement shall be interpreted and enforced under the laws of the State of Illinois and the parties agree that the venue for any legal proceeding between them shall be Kendall County, Twenty-third Judicial Circuit, State of Illinois.

23. In any action with respect to this Agreement, the parties are free to pursue any legal remedies at law or in equity. The prevailing party by 75% or more of damages sought, in any action brought pursuant to this Agreement shall be entitled to reasonable attorneys’ fees and court costs arising out of any action or claim to enforce the provisions of this Agreement.

24. If any provision of this Agreement shall be held invalid, the validity of any other provision of this Agreement that can be given effect without such invalid provision shall not be affected thereby. The waiver of one breach of any term, condition, covenant or obligation of this Agreement shall not be considered to be a waiver of that or any other term, condition, covenant or obligation or of any subsequent breach thereof.

25. This Agreement represents the entire agreement between the parties and there are no other promises or conditions in any other agreement whether oral or written. This agreement supersedes any prior written or oral agreements between the parties and may not be modified except in writing acknowledged by both parties.
Licensor:
Kendall County Forest Preserve District

By: _______________________________ Date: _______________________________
    Jeff Wehrli, President

Licensee:

By: _______________________________ Date: _______________________________
    Dan Roberts, Farm Operator

By: _______________________________ Date: _______________________________
    Don Roberts, Farm Operator

Exhibit A
Flexible Rate Calculation Example

For the following values for a 100 acre site with a base rent of $200 per acre:

Average grain price = Corn $5 per bushel
Basis = $0.30 per bushel
Yield = 200 bushels per acre x 100 acres = 20,000 bushels
Crop Insurance = 0
Base Rent = 100 acres x $200 per acre = $20,000

$$(((\text{Average Grain Price} - \text{Basis}) \times \text{Yield}) + \text{Crop Insurance}) \times 33.33\% \) - \text{Base Rent}$$

$$(((\$5 - \$0.30) \times 20,000) + 0) \times 33.33\%) \ - \$20,000 = \$11,330.20$$

The base rate amount is due May 30.
The flexible rate amount is due December 31.
FARM LICENSE AGREEMENT #15-12-003

Henneberry Property

AGREEMENT made this 1st day of December, 2015 between the KENDALL COUNTY FOREST PRESERVE DISTRICT, a Body Corporate and Politic, 110 West Madison Street, Yorkville, Il, 60560, Licensor, and, Albert Collins, Jr. of 9555 Ament Road, Yorkville IL 60560, Licensee, including all heirs and assigns.

WHEREAS, the Licensor is the owner of certain lands situated in the County of Kendall, Township of Na-Au-Say and State of Illinois described as:

PIN#s: 06-06-400-002, 06-06-498-001, 06-06-497-001, 06-06-497-002

WHEREAS, Licensee desires to use the above-described real estate, for farming purposes with the structures utilized for the storage of crops and farm implements, and Licensor desires to have the real estate farmed.

WHEREAS, both Licensee and Licensor hereby agree that there are 95 tillable acres suitable for row crops on the above referenced parcels, these tillable acres hereinafter referred to as the ‘Subject Property’; and the Licensor hereby grants to the Licensee a farm License in exchange for the following goods, services, and considerations, submitted as a use fee for a term of one (1) year, beginning on January 1, 2016, and ending on December 31, 2016 subject to the conditions and limitations hereinafter mentioned.

Licensee shall pay Licensor a Base Rate of $195 per tillable acre for the License year. The Base Rate shall be payable no later than May 30, 2016, and Licensee agrees that failure to pay by this date may terminate this License.

Licensee shall pay Licensor a Flexible Rate equal to:

\[((\text{Average Grain Price} - \text{Basis}) \times \text{Yield}) + \text{Crop Insurance}) \times 33.33\%\] - Base Rent

(See Exhibit A for example.)

Average Grain Price shall be calculated by utilizing the closing price on the Chicago Board of Trade futures market on the first trading day of each month from January through October. The Basis shall be fixed at $0.30 for corn and $0.40 for soybeans.

The Yield shall be the amount of dry bushels harvested divided by the tillable acres as provided on page one (1) of this agreement.

Crop Insurance shall be any funds from a multi-peril or crop hail claim on the Subject Property collected by the Licensee, less the premiums paid on such policy(s).

The Flexible Rate is payable on or before December 31, 2016. Should the computed Flexible Rate be less than the Base Rate, then the Base Rate shall be the total due to Licensor.
NOW, THEREFORE, in consideration of the grants, covenants, and conditions of this Agreement, IT IS HEREBY AGREED AS FOLLOWS:

1. The proceeding introductory language is made a part hereof and incorporated herein.

2. This Agreement grants only a contractual license to use the Subject Property under the terms and conditions state above. Further, the rights granted by District herein shall vest only in Licensee and no such rights shall vest in any of Licensee’s employees, agents, subcontractors or partners, if any. Nothing in this Agreement shall be construed to convey to Licensee any legal or equitable interest in the Subject Property.

3. Licensor makes no claims as to the tax status of the Subject Property. In the event the Subject Property should be assessed and taxed pursuant to the process outlined in 35 ILCS 205/19, it shall be the obligation of the Licensee to pay such taxes as are incurred during the term of this license. In the event the Subject Property becomes taxable at any time during the term of this License, Licensee shall be required to pay those taxes that are incurred during the term of this License. At the termination of this Agreement, Licensee shall pay tax incurred during the term of this license, though not yet due and owing. Where taxes have yet to be determined, Licensee shall pay the estimated taxes based on 100% of the previous year’s taxes. Any such taxes shall be prorated as needed.

4. The Licensor agrees that the Licensee may, without further license on the part of the Licensor, use the Subject Property for the purpose of farming the land. If there are highly erodible soils on the Subject Property, the Licensee is responsible for maintaining the soil according to the methods adopted in Licensee’s farming plan approved by the Kendall County Soil and Water Conservation District. Said report must be submitted to the Licensor on or before ground breaking on the first year covered by this License. Failure to submit this report by this date may terminate this License.

5. The Licensee has inspected the Subject Property and structures prior to signing this Agreement and accepts the conditions of these “as is.”

6. The Licensee agrees to farm the Subject Property in a husband-like manner, utilizing conservation tillage methods.

7. Licensee shall keep and provide to the Licensor the following records:
   A. Soil Samples – The Licensee shall conduct annual soil testing (2.5 acre grid), with such costs split evenly with the Licensor. Soil test results shall be due to the Licensor by December 30, 2016. The Licensee shall apply the minimum amount of fertilizer required to maintain the soil fertility at:
      i. For corn, P (phosphorus) shall be maintained at 80 pounds per acre and K (potassium) shall be maintained at 50 pounds per acre.
      ii. For soybeans, P (phosphorus) shall be maintained at 50 pounds per acre and K (potassium) shall be maintained at 75 pounds per acre.
   B. Global Positioning System data of crops and yields harvested.
   C. Fertilizers and rates applied.
   D. Pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.
8. Fertilizer replacement of P (phosphorus) and K (potassium) will be calculated using crop removal method as outlined in the Illinois Agronomy Handbook. Replacement of P and K for a crop year calculated on total nutrient removal per tillable acre and applied at the Licensee’s expense for product and application. No carry over credit will be allowed from previous year’s application.

9. If Licensee applies limestone to the Subject Property, the cost of the limestone will be depreciated at 25% annually. If the Licensee farms the Subject Property for a period less than four (4) years, the Licensor will reimburse the Licensee for the cost of the limestone less the total annual depreciation. Lime shall be applied when less than 6.2.

10. The Licensee shall deliver and sell the crop yield to no buyers other than those listed below without the written approval of the Licensor.
   A. 
   B. 
   C. 

11. It is agreed that the tillable land on this farm should be devoted to row crops. The Licensor may require an un-tilled buffer a minimum of 10 feet from certain woodlands or waterways. This buffer shall be planted with a cover crop by the Licensee at the inception of this Licensee with a seed mix approved by Licensor. Licensor shall provide map to Licensee showing buffer areas to be planted.

12. Pesticide Use
   A. Licensee shall, and shall cause all other persons working on the Subject Property, to follow all label instructions of any pesticides used on the Subject Property. Upon signing this Agreement, Licensee shall supply Licensor with a copy of a valid State of Illinois pesticide applicator’s license for each person who will be applying pesticide on the Subject Property during the term of this Agreement. If any such licenses expire during the term of this Agreement, Licensee shall be responsible for obtaining a renewal or new license to replace such an expired license and shall promptly provide Licensor with a copy thereof.
   B. No pesticides shall be stored on the Subject Property unless they are in original, labeled containers, and then only during the period during which such pesticide is applied, which shall not exceed ten (10) days.
   C. Licensee shall provide Licensor with a record of pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.
   D. Licensee is responsible, at the Licensee’s sole expense, to repair any damage done to native vegetation due to pesticide drift and to repair rutting caused by farm equipment in non-tilled areas owned by the Licensor.

13. Licensee shall comply with all federal, state, and local laws, ordinances, rules and regulations that regulate, restrict or prohibit any material defined therein as a hazardous, radioactive, toxic or carcinogenic material, substance, pollutant, or contaminant when using such materials on the Subject Property.
14. The Licensee agrees to take care of the Subject Property, not to alter or change the physical landscape of the Subject Property and to farm and to maintain improvements in a careful and prudent manner.

15. Upon termination of this Agreement, Licensor may request the Licensee to provide services associated with restoration of the Subject Property. Such services may include plowing, herbiciding, tilling, seeding, and maintenance mowing.

16. Licensor reserves the right to enter upon said land to inspect, make improvements thereon, and for any and all lawful purposes arising from the ownership of the land so long as it does not interfere with the rights of the Licensee, as provided in this License.

17. The Licensee agrees that this License is purely a personal license to use the Subject Property for farming purposes. The Licensor may terminate this Agreement at any time and for any reason by giving thirty (30) days notice in writing to that effect to the Licensee. In the event of any termination, Licensor shall pay the Licensee for planted but unharvested crops on the Subject Property on the basis of average county yield and unit price, based on available County data. Fertilizer and pesticide costs for planted but unharvested crops on the Subject Property shall be reimbursed, provided that the Licensee provides fertilizer and pesticide receipts for these costs. Other than amount for planted but unharvested crops, fertilizer and pesticide costs, as provided in this section, Licensee hereby waives its rights to request or seek any other amount from Licensor in the event the License granted herein is terminated.

18. Insurance & Liability
   A. The Licensee shall maintain one million dollars ($1,000,000.00) of liability insurance on the Subject Property with an insurance company acceptable to the Licensor. Licensee shall purchase insurance with said company naming the Licensor as additional insured on the liability policy. Proof of such coverage must be on file with the Licensor on or before March 31st of the first year of the License. Failure to submit such proof by this date may terminate this License. Policy must cover all contractors hired by the Licensee to apply soil amendments, pesticides, or for other purposes, or the contractor must provide proof of insurance for the above referenced amount.
   B. Licensee shall obtain and maintain, at the Licensee’s expense, appropriate and adequate insurance coverage for the Licensee’s personal property in amounts determined by the Licensee to be adequate. Licensee shall provide a copy of all insurance policies to Licensor upon request of Licensor.
   C. Licensee shall hold harmless, indemnify, and defend the Licensor, its Commissioners, Officers, Agents, Attorneys and Employees against any and all losses, expenses, claims, costs, causes and damages, including without limitation litigation costs and attorneys’ fees, on account of (a) any failure on the part of the Licensee to perform or comply with any terms or conditions of this Agreement, or (b) any personal injuries or death or damages to property arising from, occurring, growing out of, incident to, or resulting directly or indirectly from the grant of this License or the use of the Subject Property or the structures by Licensee. The provisions of this section shall be in addition to, and shall not be limited by, the amounts of any insurance provided by Licensee pursuant to this Agreement.
19. This License is not assignable or transferable to any person, company, or corporation, in whole or in part.

20. It is mutually agreed that the Licensee is an independent contractor, not subject to the control of the Licensor and is not an employee of the Licensor.

21. Licensee shall, and without any charge to District, keep the Subject Property free of any and all liens against the Subject Property in favor of any person whatsoever for or by reason of any equipment, material, supplies or other item furnished, labor performed or other thing done in connection with Licensee’s use or occupancy of the Subject Property (a “Lien”). If the Subject Property becomes encumbered with any Lien, Licensor may, at Licensor’s option, terminate this Agreement or direct Licensee to remove any such lien from the subject property. Licensee shall remove such Lien promptly and, in any event, not later than five (5) days after being directed to do so in writing by District. District shall have the right to remove or satisfy any Lien upon the Subject Property at any time with or without notice to Licensee, and shall be reimbursed by Licensee within ten (10) days after such amount is incurred, any amount that District incurs to remove or satisfy the Lien, including the costs, expenses, attorneys’ fees, and administrative expenses incurred by District in connection therewith or by reason thereof.

22. Licensee shall give all notices, pay all fees, and take all other action that may be necessary to ensure that all activities on the Subject Property are provided, performed, and completed in accordance with all applicable laws, statutes, rules, regulations, ordinances, and requirements, and all required governmental permits, licenses or other approvals and authorizations that may be required in connection with providing, performing, and completing such activities.

23. This Agreement shall be interpreted and enforced under the laws of the State of Illinois and the parties agree that the venue for any legal proceeding between them shall be Kendall County, Twenty-third Judicial Circuit, State of Illinois.

24. In any action with respect to this Agreement, the parties are free to pursue any legal remedies at law or in equity. The prevailing party by 75% or more of damages sought, in any action brought pursuant to this Agreement shall be entitled to reasonable attorneys’ fees and court costs arising out of any action or claim to enforce the provisions of this Agreement.

25. If any provision of this Agreement shall be held invalid, the validity of any other provision of this Agreement that can be given effect without such invalid provision shall not be affected thereby. The waiver of one breach of any term, condition, covenant or obligation of this Agreement shall not be considered to be a waiver of that or any other term, condition, covenant or obligation or of any subsequent breach thereof.

26. This Agreement represents the entire agreement between the parties and there are no other promises or conditions in any other agreement whether oral or written. This agreement supersedes any prior written or oral agreements between the parties and may not be modified except in writing acknowledged by both parties.
Licensor: Kendall County Forest Preserve District

By: _______________________________________________ Date:_____________________
    Jeff Wehrli, President

Licensee:

By: _______________________________________________ Date:_____________________
    Albert Collins, Jr. Farm Operator

Exhibit A

Flexible Rate Calculation Example

For the following values for a 100 acre site with a base rent of $200 per acre:

Average grain price = Corn $5 per bushel
Basis = $0.30 per bushel
Yield = 200 bushels per acre x 100 acres = 20,000 bushels
Crop Insurance = 0
Base Rent = 100 acres x $200 per acre = $20,000

$\frac{\{(\text{Average Grain Price} - \text{Basis}) \times \text{Yield}\} + \text{Crop Insurance}}{33.33\%} - \text{Base Rent}

$\frac{\{(\$5 - \$0.30) \times 20,000\} + 0}{33.33\%} - \$20,000 = \$11,330.20

The base rate amount is due May 30.
The flexible rate amount is due December 31.
FARM LICENSE AGREEMENT #15-12-004

Bristol Township – Galena Road Property

AGREEMENT made this 1st day of December, 2015 between the KENDALL COUNTY FOREST PRESERVE DISTRICT, a Body Corporate and Politic, 110 West Madison Street, Yorkville, IL 60560, Licensor, and Donald and Beth Young, of 3135 Covered Bridge Lane, DeKalb, IL, Licensee, including all heirs and assigns.

WHEREAS, the Licensor is the owner of certain lands situated in the County of Kendall, Township of Fox and State of Illinois described as:

PIN#s: 02-10-400-010 and 02-11-151-003

WHEREAS, Licensee desires to use the above-described real estate for farming purposes and Licensor desires to have the real estate farmed.

WHEREAS, both Licensee and Licensor hereby agree that there are 12.0 tillable acres suitable for row crops on the above referenced parcels, these tillable acres hereinafter referred to as the ‘Subject Property’; and the Licensor hereby grants to the Licensee a farm License in exchange for the following goods, services, and considerations, submitted as a use fee for a term of one (1) year, beginning on January 1, 2016, and ending on December 31, 2016 subject to the conditions and limitations hereinafter mentioned.

Licensee shall pay Licensor a Base Rate of $180 per tillable acre for the License year. The Base Rate shall be payable no later than June 30th and Licensee agrees that failure to pay by this date may terminate this License.

Licensee shall pay Licensor a Flexible Rate equal to:

\[((\text{Average Grain Price} - \text{Basis}) \times \text{Yield} + \text{Crop Insurance}) \times 33.33\%) - \text{Base Rent}\]

(See Exhibit A for example.)

Average Grain Price shall be calculated by utilizing the closing price on the Chicago Board of Trade futures market on the first trading day of each month from January through October. The Basis shall be fixed at $0.30 for corn and $0.40 for soybeans.

The Yield shall be the amount of dry bushels harvested divided by the tillable acres as provided on page one (1) of this agreement. For the purposes of this agreement, bushels may be calculated based on presentation of yield derived from calibrated combine harvest data.

Crop Insurance shall be any funds from a multi-peril or crop hail claim on the Subject Property collected by the Licensee, less the premiums paid on such policy(s).

The Flexible Rate is payable on or before December 31, 2016. Should the computed Flexible Rate be less than the Base Rate, then the Base Rate shall be the total due to Licensor.
NOW, THEREFORE, in consideration of the grants, covenants, and conditions of this Agreement, IT IS HEREBY AGREED AS FOLLOWS:

1. The proceeding introductory language is made a part hereof and incorporated herein.

2. This Agreement grants only a contractual license to use the Subject Property under the terms and conditions state above. Further, the rights granted by District herein shall vest only in Licensee and no such rights shall vest in any of Licensee’s employees, agents, subcontractors or partners, if any. Nothing in this Agreement shall be construed to convey to Licensee any legal or equitable interest in the Subject Property.

3. Licensor makes no claims as to the tax status of the Subject Property. In the event the Subject Property should be assessed and taxed pursuant to the process outlined in 35 ILCS 205/19, it shall be the obligation of the Licensee to pay such taxes as are incurred during the term of this license. In the event the Subject Property becomes taxable at any time during the term of this License, Licensee shall be required to pay those taxes that are incurred during the term of this License. At the termination of this Agreement, Licensee shall pay tax incurred during the term of this license, though not yet due and owing. Where taxes have yet to be determined, Licensee shall pay the estimated taxes based on 100% of the previous year’s taxes. Any such taxes shall be prorated as needed.

4. The Licensor agrees that the Licensee may, without further license on the part of the Licensor, use the Subject Property for the purpose of farming the land. If there are highly erodible soils on the Subject Property, the Licensee is responsible for maintaining the soil according to the methods adopted in Licensee’s farming plan approved by the Kendall County Soil and Water Conservation District. Said report must be submitted to the Licensor on or before ground breaking on the first year covered by this License. Failure to submit this report by this date may terminate this License.

5. The Licensee has inspected the Subject Property prior to signing this Agreement and accepts the condition of this “as is.”

6. The Licensee agrees to farm the Subject Property in a husband-like manner, utilizing conservation tillage methods.

7. Licensee shall keep and provide to the Licensor the following records:
   A. Soil Samples – The Licensee shall conduct annual soil testing (2.5 acre grid), with such costs split evenly with the Licensor. Soil test results shall be due to the Licensor by December 30. The Licensee shall apply the minimum amount of fertilizer required to maintain the soil fertility at:
      i. For corn, elemental P (phosphorus) shall be maintained at 80 pounds per acre and elemental K (potassium) shall be maintained at 50 pounds per acre.
      ii. For soybeans, elemental P (phosphorus) shall be maintained at 50 pounds per acre and elemental K (potassium) shall be maintained at 75 pounds per acre.
   B. Global Positioning System data of crops and yields harvested.
   C. Fertilizers and rates applied.
   D. Pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.
8. Fertilizer replacement of P (phosphorus) and K (potassium) will be calculated using crop removal method as outlined in the Illinois Agronomy Handbook. Replacement of P and K for a crop year calculated on total nutrient removal per tillable acre and applied at the Licensee’s expense for product and application. No carry over credit will be allowed from previous year’s application.

9. If Licensee applies limestone to the Subject Property, the cost of the limestone will be depreciated at 25% annually. If the Licensee farms the Subject Property for a period less than four (4) years, the Licensor will reimburse the Licensee for the cost of the limestone less the total annual depreciation. Lime shall be applied when less than 6.2.

10. The Licensee shall deliver and sell the crop yield to no buyers other than those listed below without the written approval of the Licensor. Licensee shall provide grain sheets to Licensor.
   A. 
   B. 
   C. 

11. It is agreed that the tillable land on this farm should be devoted to row crops. The Licensor may require an un-tilled buffer a minimum of 10 feet from certain woodlands or waterways. This buffer shall be planted with a cover crop by the Licensee at the inception of this Licensee with a seed mix approved by Licensor. Licensor shall provide map to Licensee showing buffer areas to be planted.

12. Pesticide Use
   A. Licensee shall, and shall cause all other persons working on the Subject Property, to follow all label instructions of any pesticides used on the Subject Property. Upon signing this Agreement, Licensee shall supply Licensor with a copy of a valid State of Illinois pesticide applicator’s license for each person who will be applying pesticide on the Subject Property during the term of this Agreement. If any such licenses expire during the term of this Agreement, Licensee shall be responsible for obtaining a renewal or new license to replace such an expired license and shall promptly provide Licensor with a copy thereof.
   B. No pesticides shall be stored on the Subject Property unless they are in original, labeled containers, and then only during the period during which such pesticide is applied, which shall not exceed ten (10) days.
   C. Licensee shall provide Licensor with a record of pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.
   D. Licensee is responsible, at the Licensee’s sole expense, to repair any damage done to native vegetation due to pesticide drift and to repair rutting caused by farm equipment in non-tilled areas owned by the Licensor.

13. Licensee shall comply with all federal, state, and local laws, ordinances, rules and regulations that regulate, restrict or prohibit any material defined therein as a hazardous, radioactive, toxic or carcinogenic material, substance, pollutant, or contaminant when using such materials on the Subject Property.
14. The Licensee agrees to take care of the Subject Property, not to alter or change the physical landscape of the Subject Property and to farm in a careful and prudent manner.

15. Upon termination of this Agreement, Licensor may request the Licensee to provide services associated with restoration of the Subject Property. Such services may include plowing, herbiciding, tilling, seeding, and maintenance mowing. Financial arrangement shall be mutually agreed upon by Licensor and Licensee should these services be requested.

16. Licensor reserves the right to enter upon said land to inspect, make improvements thereon, and for any and all lawful purposes arising from the ownership of the land so long as it does not interfere with the rights of the Licensee, as provided in this License.

17. The Licensee agrees that this License is purely a personal license to use the Subject Property for farming purposes. The Licensor may terminate this Agreement at any time and for any reason by giving thirty (30) days notice in writing to that effect to the Licensee. In the event of any termination, Licensor shall pay the Licensee for planted but unharvested crops on the Subject Property on the basis of average county yield and unit price, based on available County data. Fertilizer and pesticide costs for planted but unharvested crops on the Subject Property shall be reimbursed, provided that the Licensee provides fertilizer and pesticide receipts for these costs. Other than amount for planted but unharvested crops, fertilizer and pesticide costs, as provided in this section, Licensee hereby waives its rights to request or seek any other amount from Licensor in the event the License granted herein is terminated.

18. Insurance & Liability
A. The Licensee shall maintain one million dollars ($1,000,000.00) of liability insurance on the Subject Property with an insurance company acceptable to the Licensor. Licensee shall purchase insurance with said company naming the Licensor as additional insured on the liability policy. Proof of such coverage must be on file with the Licensor on or before March 30th of the first year of the License. Failure to submit such proof by this date may terminate this License. Policy must cover all contractors hired by the Licensee to apply soil amendments, pesticides, or for other purposes, or the contractor must provide proof of insurance for the above referenced amount.

B. Licensee shall obtain and maintain, at the Licensee’s expense, appropriate and adequate insurance coverage for the Licensee’s personal property in amounts determined by the Licensee to be adequate. Licensee shall provide a copy of all insurance policies to Licensor upon request of Licensor.

C. Licensee shall hold harmless, indemnify, and defend the Licensor, its Commissioners, Officers, Agents, Attorneys and Employees against any and all losses, expenses, claims, costs, causes and damages, including without limitation litigation costs and attorneys’ fees, on account of (a) any failure on the part of the Licensee to perform or comply with any terms or conditions of this Agreement, or (b) any personal injuries or death or damages to property arising from, occurring, growing out of, incident to, or resulting directly or indirectly from the grant of this License or the use of the Subject Property or the structures by Licensee. The provisions of this section shall be in addition to, and shall not be limited by, the amounts of any insurance provided by Licensee pursuant to this Agreement.
19. This License is not assignable or transferable to any person, company, or corporation, in whole or in part.

20. It is mutually agreed that the Licensee is an independent contractor, not subject to the control of the Licensor and is not an employee of the Licensor.

21. Licensee shall, and without any charge to District, keep the Subject Property free of any and all liens against the Subject Property in favor of any person whatsoever for or by reason of any equipment, material, supplies or other item furnished, labor performed or other thing done in connection with Licensee’s use or occupancy of the Subject Property (a “Lien”). If the Subject Property becomes encumbered with any Lien, Licensor may, at Licensor’s option, terminate this Agreement or direct Licensee to remove any such lien from the subject property. Licensee shall remove such Lien promptly and, in any event, not later than five (5) days after being directed to do so in writing by District. District shall have the right to remove or satisfy any Lien upon the Subject Property at any time with or without notice to Licensee, and shall be reimbursed by Licensee within ten (10) days after such amount is incurred, any amount that District incurs to remove or satisfy the Lien, including the costs, expenses, attorneys’ fees, and administrative expenses incurred by District in connection therewith or by reason thereof.

22. Licensee shall give all notices, pay all fees, and take all other action that may be necessary to ensure that all activities on the Subject Property are provided, performed, and completed in accordance with all applicable laws, statutes, rules, regulations, ordinances, and requirements, and all required governmental permits, licenses or other approvals and authorizations that may be required in connection with providing, performing, and completing such activities.

23. This Agreement shall be interpreted and enforced under the laws of the State of Illinois and the parties agree that the venue for any legal proceeding between them shall be Kendall County, Twenty-third Judicial Circuit, State of Illinois.

24. In any action with respect to this Agreement, the parties are free to pursue any legal remedies at law or in equity. The prevailing party by 75% or more of damages sought, in any action brought pursuant to this Agreement shall be entitled to reasonable attorneys’ fees and court costs arising out of any action or claim to enforce the provisions of this Agreement.

25. If any provision of this Agreement shall be held invalid, the validity of any other provision of this Agreement that can be given effect without such invalid provision shall not be affected thereby. The waiver of one breach of any term, condition, covenant or obligation of this Agreement shall not be considered to be a waiver of that or any other term, condition, covenant or obligation or of any subsequent breach thereof.

26. This Agreement represents the entire agreement between the parties and there are no other promises or conditions in any other agreement whether oral or written. This agreement supersedes any prior written or oral agreements between the parties and may not be modified except in writing acknowledged by both parties.
Licensor:
Kendall County Forest Preserve District

By: __________________________  Date:________________________
    Jeff Wehrli, President

Licensee:

By: __________________________  Date:________________________
    Donald Young, Farm Operator

By: __________________________  Date:________________________
    Beth Young, Farm Operator

Exhibit A
Flexible Rate Calculation Example

For the following values for a 100 acre site with a base rent of $200 per acre:

Average grain price = Corn $5 per bushel
Basis = $0.30 per bushel
Yield = 200 bushels per acre x 100 acres = 20,000 bushels
Crop Insurance = 0
Base Rent = 100 acres x $200 per acre = $20,000

$$(((\text{Average Grain Price} - \text{Basis}) \times \text{Yield}) + \text{Crop Insurance}) \times 33.33\% - \text{Base Rent}$$
$$(((5 - 0.30) \times 20,000) + 0) \times 33.33\% - 20,000 = 11,330.20$$

The base rate amount is due May 30.
The flexible rate amount is due December 31.