

attempts to resolve is how do we accommodate millions more people by the year 2050 with what are essentially finite water supplies. Dr. Loftus went over maps in the power point presentation. In looking at the amount of people in our region he said about three-fourths of those people use Lake Michigan water with about 20% on groundwater and the remaining on river water, the Fox and Kankakee Rivers as of 2005. Dr. Loftus said they commissioned Southern IL University and an international expert on water demand and management and they created three scenarios that gave them a range to look at for the future. Dr. Loftus pointed out that this plan is advisory with some good recommendations in it that they think are worth looking at. Continuing through the power point presentation with charts and maps he said groundwater demand will grow rapidly as the fastest growth is taking place in groundwater dependent areas. Dr. Loftus said for counties like McHenry we are going to have to explore either very aggressive conservation or alternatives, perhaps the Fox River as a source of water. One of the scientific outcomes of their study showed that the Fox River does have extra water available to support new withdrawals while at the same time maintaining the minimum in stream flow that it must.

The situation in Lake Michigan is a little bit different because areas that have a permit for lake water are pretty much guaranteed water out to 2030 and if they can go above and beyond what they are presently doing in the area of conservation, they can actually reduce demand while adding millions more people within the Lake Michigan service region. Dr. Loftus talked about aquifers and contaminants to the shallow aquifers due to chlorides and noted that there is cost involved in groundwater conservation. Dr. Loftus continued to talk about land use and water supply planning and about groundwater dependent communities. Dr. Loftus said they are advocating for collaborative management; perhaps opportunity for some self organization where communities can work together to try and take advantage of the science that is on the table and the good information that is in the plan and make some good decisions in order to avoid any problems and maintain a balance with supply and demand. He applauded McHenry County for being a leader in the region in identifying sensitive aquifer recharge areas. Dr. Loftus said there are some challenges and we really don't have a structure in place that matches the scale of the issue. He said we can be diverse in our thinking and tailor solutions for the part of the region at issue. Lastly he talked about the issue of water rates and their importance and how this will be getting a lot of discussion going forward.

Chairman Koehler asked for any questions. Mr. Merkel asked about the ability to use the Fox River as a resource. Dr. Loftus said the IL State Water Survey took a close look at the Fox River as a potential source of additional withdrawals above and beyond supporting the new demand that will be placed on the river from existing cities that use that water, and they determined that there is about 40 to 45 million gallons per day of Fox River water available for use for public supply. Mr. Merkel said in the past we have been told that there is not enough water to use the Fox. Dr. Loftus said that flow increases as you go down stream and the greatest amount of water might be further south in Kane County. Mr. Merkel asked if there is any other information on this to please send it to staff.

Ms. Yensen asked why we aren't presently using the Fox for water. Dr. Loftus said that the public water suppliers are better equipped to answer this than he is, although at the time it probably seemed like it was better water quality to be had out of the ground hence needing less treatment than the river. Ms. McKinney said the study on the Fox River for supply to all of the region that borders the river that the Fox River does not have sufficient flow for McHenry County to use until it gets to Algonquin, so it's basically at the Kane County line that the flow is sufficient for a drinking water withdrawal. A large part of the County would not be able to probably access that water because the flow is not there. Chairman Koehler said of note is that Algonquin is one of the areas that is going to have problems so this could be a solution.

Chairman Koehler thanked Dr. Loftus for his presentation today.

8.2 GFOA Award

Auditor Pam Palmer came forward and said the awards received are for Outstanding Work in Financial reporting. Ms. Palmer said the financial structure that we have set up here in McHenry County with the policies and procedures we are able to create this report and apply for this award. The first award is one that the County is receiving for the 11th time which is for the Financial Annual Report. One of her goals was to produce a Popular Annual Financial Report (PAFR) which is only 16 pages long, which is great for showing the public. This version is available on the Auditor's website or you can go to her office if you would like a hard copy. This year they applied to the GFOA for that award also, and out of the 102 counties in IL McHenry County is the first County to produce a PAFR and to win this award. Ms. Palmer also thanked her Chief Deputy/Senior Accountant Jim Bernier for all of the hard work he does to help us win these awards.

ZBA CONSENT AGENDA

Chairman Koehler asked if anyone wished to remove a petition, there were none.

Ms. Hill made a motion seconded by Ms. Donner to approve the following Petition:

Exb #09-24; Richmond Twp; Bernice Streske; reclass of A1 to A2

Chairman Koehler asked for a roll call vote. The following members responded aye: Heisler, Hill, Kennedy, McCann, Merkel, Miller, Munaretto, Orphal, Peschke, Ryan, Salgado, Schmidt, Schuster, Wheeler, Yensen, Barnes, Donley, Donner, Draffkorn and Koehler. Absent: Dvorak, Hammerand, Bless and Breeden. The vote being twenty (20) ayes noting four (4) absent, Chairman Koehler declared the motion passed.

ZBA REGULAR AGENDA

Chairman Koehler said Petition Exb #09-43; Dorr Twp; MLJ Properties, LLC; rqst reclass of A1 to A1C is being removed from today's agenda.

PLATS

None

PUBLIC COMMENT

Chairman Koehler explained the rules of public comment. The following people spoke:

Dr. Richard Kirchoff of Crystal Lake	for	Mental Health Board expansion/financing
Sandy Lewis of Woodstock	for	Mental Health Board expansion/financing
Mary Lu Seidel of Fox River Grove	for	Mental Health Board expansion/financing
Susan Ling of Crystal Lake	for	Mental Health Board expansion/financing
Don Larson of Alden	for	Mental Health Board expansion/financing

Noting no others wishing to speak, Chairman Koehler closed public comment.

NEW AND UNFINISHED BUSINESS

None

APPOINTMENTS

Ms. Barnes made a motion seconded by Mr. Donley to approve the following Appointment:

Marengo Rescue Squad	
Eugene Carroccia	term to 12/31/2013
William Weirich	term to 12/31/2013
Caryn Beisner	term to 12/31/2013

Chairman Koehler asked for a roll call vote, the following members responded aye: Heisler, Hill, Kennedy, McCann, Merkel, Miller, Munaretto, Orphal, Peschke, Ryan, Salgado, Schmidt, Schuster, Wheeler, Yensen, Barnes, Donley, Donner, Draffkorn and Koehler. Absent: Dvorak, Hammerand, Bless and Breeden. The vote being twenty (20) ayes noting four (4) absent, Chairman Koehler declared the motion passed.

STANDING COMMITTEE CHAIRMAN UPDATES

Mr. Munaretto told the board that Donna Mayberry will be retiring on April 30th and we have a roster of potential candidates to replace her and he has been asked if one or two members of the Finance & Audit Committee would like to participate in reviewing those candidates. If interested, please see Mr. Austin. Secondly, he said board members should have received an e-mail from him after the Moody's rating review of McHenry County's credit. They affirmed the County's Aa1 rating and he noted that McHenry County is the smallest County in the United States to be invited by Moody's to be evaluated to be a AAA credit; not for anything we did internally but for factors external to the County we were not upgraded to AAA. Mr. Munaretto said the fact that they took the time to evaluate us and based on the comments from Moody's, all of which suggest that we behave like AAA rated Counties. Is a distinction in itself. He congratulated the County on this. He noted there are representatives here from the Village of Wonder Lake and from the Master Property Owners Association as there is a resolution on the Consent Agenda. If there are any questions about the Recovery Zone Facility Bond resolution that we will be adopting on their behalf, they would be happy to answer any questions. He added that he was impressed with the organization around this from not only the MPOA but the Village of Wonder Lake; the idea of marrying the SSA revenues and the cost efficient financing of these bonds is masterful. Chairman Koehler said it's good to know this can be done as it will save money.

Ms. Salgado invited any members of the HR Committee that would be interested in participating in the interviewing process for the Chief County Assessor on February 22nd and March 1st to contact Mr. Austin. Also, Senior Services Grant Commission will have a meeting on Friday and immediately following the meeting there will be a ribbon cutting ceremony for our new transit transportation project. She encouraged all to attend.

Ms. Orphal said information was received from the CDC and a short discussion was had at the Public Health & Human Services meeting. If anyone has any comments or suggestions as to where they feel the County should go from here, please notify Mr. Austin or Chairman Koehler. This will be discussed again at their next meeting.

ROUTINE CONSENT AGENDA

Chairman Koehler asked if anyone wished to remove an item from the Consent Agenda. Ms. Draffkorn asked to remove 15.2 B10; Ms. McCann removed 15.2 K1.

Ms. Donner made a motion seconded by Ms. Miller to approve the Routine Consent Agenda with two items removed.

Chairman Koehler asked for a roll call vote, the following members responded aye: Heisler, Hill, Kennedy, McCann, Merkel, Miller, Munaretto, Orphal, Peschke, Ryan, Salgado, Schmidt, Schuster, Wheeler, Yensen, Barnes, Donley, Donner, Draffkorn and Koehler. Absent: Dvorak, Hammerand, Bless and Breeden. The vote being twenty (20) ayes noting four (4) absent, Chairman Koehler declared the motion passed.

15.2 B10 Resolution allocating Recovery Zone Volume Cap and approving a project for the Master Property Owners Association, Inc. for the Wonder Lake IL area for the purposes of the American Recovery and Reinvestment Tax Act of 2009.

Mr. Munaretto made a motion seconded by Ms. Hill to approve the above-named resolution.

Chairman Koehler asked for any discussion. Ms. Draffkorn said she would be abstaining from voting on this.

Chairman Koehler asked for a roll call vote, the following members responded aye: Heisler, Hill, Kennedy, McCann, Merkel, Miller, Munaretto, Orphal, Peschke, Ryan, Salgado, Schmidt, Schuster, Wheeler, Yensen, Barnes, Donley, Donner, and Koehler. Abstain: Draffkorn. Absent: Dvorak, Hammerand, Bless and Breeden. The vote being nineteen(19) ayes and one (1) abstention, noting four (4) absent, Chairman Koehler declared the motion passed.

15.2 K1 Resolution authorizing the appointment of the Valley Hi Administrator

Ms. McCann made a motion seconded by Mr. Kennedy to approve the above-named resolution.

Ms. McCann commented that Mr. Annarella comes to us being highly qualified for the position and is highly recommended by the Valley Hi Committee.

Chairman Koehler asked for a roll call vote, the following members responded aye: Heisler, Hill, Kennedy, McCann, Merkel, Miller, Munaretto, Orphal, Peschke, Ryan, Salgado, Schmidt, Schuster, Wheeler, Yensen, Barnes, Donner, Draffkorn and Koehler. Nay: Donley. Absent: Dvorak, Hammerand, Bless and Breeden. The vote being nine-teen (19) ayes and one (1) nay noting four (4) absent, Chairman Koehler declared the motion passed.

Chairman Koehler said Mr. Dvorak could not be here this evening due to a death in his family, but he would be very proud to know that approval of Mr. Annarella has passed.

ORDINANCES

For Review: Recertification of Zoning Maps

Chairman Koehler pointed out that the zoning maps are being put on 30-day review and are in the room for review.

For Action: Debt Certificate Ordinances, 2010 A; 2010 B; and 2010C

Mr. Munaretto asked Christine Biebel, Special Asst. State's Attorney with the law firm of O'Keefe & Lyons, LLC and Eric Anderson to come forward. Ms. Biebel said before the board is a waiver form that is required by the IL Governmental Ethics Act. She asked board members to review it and if accurate to sign it. This waiver states that you don't own more than 7 ½% of BMO Capital Markets which is the underwriter in these deals. Her firm's roll is to review the documents in connection with these deals. So far the preliminary official statement was mailed on February 11th; these ordinances that are up for approval today have been reviewed by her firm and approved and there will be further documentation in connection with the deal. At this time it looks like the closing will be the first week of March. Also, in connection with these debt certificates, her firm will issue an opinion letter. Among the opinions they have been asked to give will be that none of the board members does own more than 7 ½% of BMO Capital Markets. Other opinions will be that there is no material litigation or investigation or judgment that would cause any problems with the issuance of these debt certificates; that the documents have all been duly authorized,

approved by the board and signed by the authorized officers of the County and that there are no issues that have come to their attention after due diligence that would cause any problems in the issuance of these certificates. Mr. Anderson said Moody's affirmed the County's bond rating of Aa1. He said they were hopeful and optimistic that the rating would go to AAA, Moody's came back with favorable words regarding the County which spoke to the way the County operates its finances. Mr. Anderson said it boils down to the economic condition that the world is in, thus causing Moody's at this point to say that they'd like to see the tax base mature somewhat. He said McHenry County is the smallest County being considered for a AAA rating and that alone is worth a pat on the back. At this time the difference in interest between a Aa1 and AAA rating is zero.

Mr. Anderson talked about the three different ordinances before the board, Series 2010A, Build America Bonds; Series 2010B, Recovery Zone and Reinvestment Act; and Series 2010C Refunding Bonds. Mr. Anderson said they want to be prepared for the best plan and will not over borrow. Regardless of how this is executed we will see rates at approximately mid 2% on all three of these. They will choose the most efficient way to go. If approved this evening, Chairman Koehler, Mr. Munaretto and Mr. Austin will be empowered to bind the County Board for these financing contracts so that we can take advantage of market conditions when they best present themselves. They anticipate closing on or about March 1st.

16.2 A Ordinance authorizing and providing for an Installment Purchase Agreement – Debt Certificates
Series 2010 A

Mr. Anderson said this Ordinance talks about an amount not to exceed \$8.1 million dollars. This amount is only if the County both refunds and issues its portion of the new money for the sands and the land and the court room project, all is tax exempt. Those two amounts will not exceed \$8.1 million.

16.2 B Ordinance authorizing and providing for an Installment Purchase Agreement – Debt Certificates
Series 2010 B

Mr. Anderson said this Ordinance is the \$4 million dollars for the Mental Health project.

16.2 C Ordinance authorizing and providing for an Installment Purchase Agreement – Debt Certificates
Series 2010 C

Mr. Anderson said this is if the County's projects are better suited as Build America Bonds.

Mr. Anderson said either 2010A or 2010C will be used, not both, depending on what is best for the County. That is why these ordinances are written in the most flexible manner possible.

Chairman Koehler asked Mr. Munaretto to bring the Ordinances forward.

16.2 A Ordinance authorizing and providing for an Installment Purchase Agreement – Debt Certificates
Series 2010 A not to exceed \$8.1 million dollars (waiver of 30-day review)

Mr. Munaretto made a motion seconded by Mr. Merkel to approve the above-named Ordinance.

Chairman Koehler asked for a roll call vote, the following members responded aye: Heisler, Hill, Kennedy, McCann, Merkel, Miller, Munaretto, Orphal, Peschke, Ryan, Salgado, Schmidt, Schuster, Wheeler, Yensen, Barnes, Donley, Donner, Draffkorn and Koehler. Absent: Dvorak, Hammerand, Bless and Breeden. The vote being twenty (20) ayes noting four (4) absent, Chairman Koehler declared the motion to approve Debt Certificate Series 2010A is approved.

16.2 B Ordinance authorizing and providing for an Installment Purchase Agreement – taxable Debt Certificates
Series 2010B not to exceed \$4 million dollars (waiver of 30-day review)

Mr. Munaretto made a motion seconded by Ms. Donner to approve the above-named Ordinance.

Ms. Schmidt noted that she would be abstaining from the vote because of a conflict of interest..

Chairman Koehler asked for a roll call vote. The following members responded aye: Heisler, Hill, McCann, Merkel, Miller, Munaretto, Orphal, Peschke, Ryan, Barnes, Donley, Donner and Koehler. Nay: Kennedy, Salgado, Schuster, Wheeler, Yensen and Draffkorn. Abstain: Schmidt. Absent: Dvorak, Hammerand, Bless and Breeden. The vote being thirteen (13) ayes and six (6) nays, noting one (1) abstention and four (4) absent, Chairman Koehler declared the motion to approve Debt Certificate Series 2010B is approved.

16.2 C Ordinance authorizing and providing for an Installment Purchase Agreement – Debt Certificates
Series 2010C not to exceed \$4,350,000 (waiver of 30-day review)

Mr. Munaretto made a motion seconded by Mr. Merkel to approve the above-named Ordinance.

Chairman Koehler asked for a roll call vote, the following members responded aye: Heisler, Hill, Kennedy, McCann, Merkel, Miller, Munaretto, Orphal, Peschke, Ryan, Salgado, Schmidt, Schuster, Wheeler, Yensen, Barnes, Donley, Donner, Draffkorn and Koehler. Absent: Dvorak, Hammerand, Bless and Breeden. The vote being twenty (20) ayes noting four (4) absent, Chairman Koehler declared the motion to approve Debt Certificate Series 2010C is approved.

ADMINISTRATOR'S REPORT

Mr. Austin thanked everyone involved in the selection process of the new Valley Hi Administrator and then introduced Mr. Thomas Annarella to the board.

MEMBERS' COMMENTS

Ms. Salgado said she is unable to attend the drug court planning event so she hoped that it will be taped. Also, earlier in the agenda an appointment was made to the Marengo Rescue Squad. As asked the application was provided so that board members could see their qualifications, however, there was also personal information as well. In the future she suggested that maybe the information could be e-mailed to members or just put in their boxes.

Ms. Donner said at the end of the Senior Services Grant Comm Meeting there will be a ribbon cutting ceremony in front of the Administration Building on Friday. What is going to happen is that some of the Dial A Rides in the cities, particularly Woodstock, McHenry and Crystal Lake are going to be able to have service inter-city which we have never had before. This started on Saturday. On Friday she said there was a flurry of e-mails and calls regarding the new service which notes what a good service this is going to be.

Ms. Peschke asked now that we have hired a person for Valley Hi and approved an Operating Board, do we need to amend our County Board Rules. Chairman Koehler said yes, eventually, because we're not ready to eliminate the Valley Hi Committee yet.

Mr. Kennedy commented on how the County has moved forward with Valley Hi and made great strides. Someone Mr. Kennedy knows commented on how professional our Human Resources Director is especially during sometimes difficult union negotiations.

Ms. McCann said in regard to the presentation, the Environmental Committee is looking at the Groundwater Action Plan and as part of that they are including any parts of the CMAP/Regional Plan Study that was talked about in their discussions.

Mr. Merkel said the Conservation District is in the process of doing a major renovation on the Lost Valley Visitors Center. It's moving along very well, on time and under budget and they are doing some good environmental features out there. He said he believed they were targeting the second week in August for a ribbon cutting/dedication but it will be open before that. He encouraged board members to go out and look at this facility when it's completed.

EXECUTIVE SESSION

None

ADJOURNMENT

Ms. Donner made a motion seconded by Ms. Miller to adjourn at 8:40 p.m. Chairman Koehler declared the motion passed on a unanimous voice vote.

Dated and approved at Woodstock, Illinois this 16th day of March, A.D., 2010.

s/ Kenneth D Koehler
Kenneth D Koehler, Chairman
McHenry County Board

ATTEST:

s/ Katherine C Schultz
Katherine C. Schultz, County Clerk