



LAKE COUNTY FOREST PRESERVES
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Preservation, Restoration, Education and Recreation

DATE: June 5, 2017

MEMO TO: Carol Calabresa, Chair
Planning Committee

FROM: James L. Anderson
Director of Natural Resources

RECOMMENDATION: Provide Policy Direction authorizing the Executive Director to sign a Letter of Intent with the US Army Corps of Engineers indicating interest in entering into a cost-sharing agreement for a habitat restoration project at Raven Glen Forest Preserve that was included in the US Army Corps of Engineers Upper Des Plaines River Phase II Feasibility Plan.

STRATEGIC DIRECTION SUPPORTED: Conservation

FINANCIAL DATA: At this time there is no financial impact. If the Committee gives policy direction, District staff will negotiate with USACE a Project Partnership Agreement (PPA) that would require the District to share 35% (estimated at \$125,000) of the designing and planning costs for the project and 35% (estimated at \$3,161,000) of the construction costs which, will be funded through the “LERRD” value of the District land involved in the project. Under USACE regulations, “LEERD” values are the values of “Land, Easements, Rights-Of-Way, Relocation, and Disposal Areas” contributed to a construction contract by the local sponsor. District staff would present the PPA to the Committee and Board for recommendation and approval and the District would not be bound until the Board approves the PPA. If the LERRD value of the land is not sufficient to cover the full cost of implementation, the project will not move forward. No District funds outside of the \$125,000 for engineering and design services will be required.

If this project moves forward, the \$125,000 for design and engineering services will be funded out of the 2018/19 projected \$400,000 Habitat Restoration line in the 10 Year Capital Improvement Plan (CIP). No additional funds will be required. The CIP will also be modified to list the Raven Glen Restoration Project and track the overall expenditures on the project.

BACKGROUND: The US Army Corps of Engineers (USACE) prepared the Upper Des Plaines River Phase II Feasibility Plan to address flooding and water quality issues in Lake County and surrounding counties. The plan proposes several projects to address flooding and water quality issues, including the following projects that would require the use of District land and have ecological restoration benefits for the District, which are described in more detail in the USACE's plan:

- Red Wing Slough and Deer Lake Wetland Complex (*Prairie Stream Forest Preserve*)
- Pollack Lake and Hastings Creek Riparian Wetlands (*Raven Glen Forest Preserve*)
- Gurnee Woods Riparian Wetlands (*Sedge Meadow Forest Preserve*)

The plan proposes that the above projects would include several ecological restoration projects on District lands that would restore habitat for native species and provide water retention.

The USACE approached the District indicating that funding is available for this project. The District on January 6, 2014 sent a letter of intent for the Upper Des Plaines Project. At this time the USACE has requested, through its Aquatic Ecosystem Restoration (AER) Program, funds to implement ecological restoration work at Raven Glen Forest Preserve. The USACE's AER program is one of nine legislative authorities under which the Corps of Engineers can plan, design, and implement certain types of water resources projects with specific congressional authorization for the USACE FY 2018-19 budget year. Since this is a new funding source the USACE is requesting a new letter of intent.

Currently, the District has completed a wetland restoration concept plan for a portion of Raven Glen Forest Preserve that would be used as a beginning planning point to lessen engineering costs. The plan focuses on the rehabilitation of drained wetland acres, converting Hastings Creek to a stepped prairie stream corridor and restoring adjacent uplands.

The final design, preparation of contract plans and specifications, permitting, project contracting and construction, and any other activities required to construct or implement the approved project are completed during the implementation phase. The Corps and the non-federal sponsor sign a PPA near the beginning of the implementation phase. Costs beyond the feasibility phase are shared as specified in the authorizing legislation for that section. The matching requirements for this program are 65% federal and 35% local sponsor share. There will be a cash requirement for the cost of the design and planning work. Staff estimates that the District's share of such cost will be \$125,000.

The total cost of the project identified in the Feasibility Study is estimated at \$10,229,000 with the federal share being \$7,068,000 and the local share being \$3,161,000. The local share will be funded by lands, easements, rights-of-way, relocations, and disposal/borrow areas (LERRD value) which equals the local share of \$3,161,000 at \$7,368/acre covering 429 acres. The total acreage and cost of the project are likely to be reduced since the District has implemented some of the restoration activities.

The USACE will pursue a project only if an affected local agency demonstrates its interest in pursuing the project by sending a letter of intent. District staff members have reviewed the Phase II projects and determined that the Raven Glen Restoration Project would be of substantial benefit to the District's long-term restoration goals. The letter of intent does not financially commit the District and the letter of intent would identify concerns about previous project uncertainties, such as the LERRD values and District financial commitments.

The project represents habitat restoration work that otherwise would cost the District an estimated \$7.5 million to complete. By working with the USACE, the District could complete this work at an estimated cost of \$125,000. If the District submits a letter of intent to the USACE and funding is approved, the District and USACE subsequently would negotiate a project partnership agreement for the project.

At the time that a partnership agreement for a project is approved and signed, the District would be obligated to pay its local share for that project. The USACE currently estimates that the District's total local share for this project is estimated at \$ 3,161,000, but this amount is subject to reduction or increase during negotiation of the project partnership agreements. It is likely that the District could satisfy its local share obligations through available "LERRD" credits, i.e., credits to the local agency for lands, easements, rights-of-way, relocations, and disposal areas that it contributes to a project. If these credits will not cover the cost of implementation, the project will not proceed.

In addition to leveraging local District matching funds with substantial federal dollars to restore habitats the District will continue its tradition of regional and national leadership by encouraging the USACE to seek "green infrastructure" solutions to flooding and water quality issues that are more environmentally and fiscally responsible than traditional "gray infrastructure" solutions.

REVIEW BY OTHERS: Executive Director, Chief Operations Officer, Director of Finance, Corporate Counsel