



DATE: August 5, 2024

MEMO TO: Jessica Vealitzek, Chair
Operations Committee

FROM: Pati Vitt
Director of Natural Resources

RECOMMENDATION: Approve the award of a farm license at Ray Lake Forest Preserve to the highest qualified bidder.

STRATEGIC DIRECTIONS SUPPORTED: Conservation; Organizational Sustainability

FINANCIAL DATA: Awarding the license will generate \$29,722.00 annually and will be credited to the Farmland Management Fund (28642500-403000). In 2023, these lands generated farm revenue of \$61,792.00.

BACKGROUND: The farming program is conducted to provide cost-effective, interim land use and management until the District is ready to convert farmland to other forest preserve purposes. Parcels within Ray Lake Forest Preserve that were previously farmed were not re-bid for further farming at the conclusion of the 2020-2023 license agreements. The cessation of farming within these parcels was necessary for two reasons: First, the District's acquisition of the site was partially funded by a grant (the "Grant") that required the District to cease commercial farming after the terms of the then-effective leases. Additionally, the District is currently working with a consultant, a potential licensee/mitigation bank developer, and the Stormwater Management Commission, for the design of a wetland mitigation bank at Ray Lake and it was necessary to cease farming so those improvements could be adequately designed. Staff anticipate that they will present a license agreement (providing for the design, construction, and operation of that mitigation bank) to the Committees and Board for review and consideration within the next few months.

Even after that agreement is approved, staff anticipates that construction of the mitigation bank will not begin until 2025 at the earliest. Therefore, it is appropriate for the District to engage an interim land management tool, until the property is ready for construction. Entering into a short-term agreement for farming will provide vegetative cover to the site, preventing erosion and invasive species establishment. The approved license would differ from typical District farm licenses by dictating a crop of winter wheat. Winter wheat is planted in fall and harvested in early summer. The agreement terms have been adjusted to account for the growing cycle for winter wheat. Staff believe winter wheat will provide the best management practices to the site and generate some income while awaiting the start of the wetland mitigation project. Staff have also verified with the grantor of the Grant that this farm license (which is intended primarily as a weed control measure) does not violate the terms of the Grant. The potential licensee/mitigation bank developer is aware of, and does not object to, the proposed farm license.

The farm license was advertised in the News-Sun and bid packages were available on the District's website. The license was advertised for a 1-year term starting September 1, 2024 with the potential to be extended for a second year, depending on commencement of the wetland mitigation project. Three potential licensees submitted bids as follows:

FARMER	BID PRICE PER ACRE
Jeff Bohmann	\$55.00 / Acre
Mike Horcher	\$50.00 / Acre
Terry Brothers Grain Farm	\$96.50 / Acre

The highest qualified bidder for the parcel is noted below:

SITE	TERM	ACREAGE	HIGHEST BIDDER	PRICE PER ACRE
Ray Lake	1 Year	308.00	Terry Brothers Grain Farm	\$ 96.50

Staff recommends awarding the license for Ray Lake to the highest bidder (Terry Brothers Grain Farm). The highest qualified bidder has farmed District land in the past. To date, they have complied with District requirements/procedures.

REVIEW BY OTHERS: Chief Operations Officer, Director of Finance, Manager of Board Operations and Corporate Counsel.

MOTION: Motion to approve a farm license agreement for a 1-year term with Terry Brothers Grain Farm at Ray Lake Forest Preserve in a form approved by the Executive Director or his designee, and to authorize the Executive Director to approve an additional 1-year extension to the agreement, if he determines that the property is not then needed for a wetland mitigation bank and it is otherwise in the District’s best interests to do so.

APPROVAL:

Date: _____ Roll Call Vote: Ayes: ____Nays: _____
 Voice Vote Majority Ayes; Nays: _____