

MINUTES
DeKalb Park District
Public Meeting of the Board of Commissioners
October 27, 2022
Hopkins Community Center, DeKalb, IL

Public Meeting
6:00 p.m.

I. Meeting Call to Order:

President Patrick Fagan called the meeting to order at 6:00 p.m.

Roll Call

Board members present: President Patrick Fagan, Vice President Dag Grada, Secretary Gail A. Krmenech, Treasurer Joel French, and Commissioner Phil Young.

Staff Members Present: Executive Director John Shea, Superintendent of Parks & Development Mat Emken, Superintendent of Finance Mike Rock, Superintendent of Recreation Andrea Juricic, Accounting & Administrative Assistant Jennifer Anderson, Mike Siefken, Dave Kesson.

II. Action on the Agenda

Commissioner Krmenech made a motion to approve the agenda, seconded by Commissioner Young. Motion carried by roll call vote. Aye: Krmenech, Young, Grada, French and Fagan. Nay: None. Absent: None. (5-0-0)

III. Consent Agenda

All items appearing below are considered routine by the Board and shall be enacted by one motion. If discussion is desired, that item shall be removed and discussed separately.

- a. Minutes of the Public Meeting of September 22, 2022
- b. Closed Session Meeting Minutes of September 22, 2022

Commissioner French made a motion to approve the consent agenda, seconded by Commissioner Grada. Motion carried by roll call vote. Aye: Krmenech, Fagan, Young, French and Grada. Nay: None. Absent: None. (5-0-0)

IV. Public Comments

None.

V. Old Business

a. Discussion on DeKalb Community Pool Advisory Committee Update

Director Presented information requested at the last board meeting regarding tennis court pricing and demolition cost of the current pool if a new pool was to the current tennis court location. Director Shea indicated that the Park Ridge Park District spent approximately \$450,000 for two tennis courts, so to replace our four

courts would likely be around \$900,000. In consultation with the pool architect, the estimated cost of demolishing the old pool was around \$500,000. When calculating the differences between the two projects, there is about \$1.5 difference to move the pool. President Fagan asked if we plan to resurface the courts or put in new ones. Director Shea indicated for a complete redo. Commissioner Young verified with Director Shea that if the new pool was relocated to where the tennis courts are now, then we would need to immediately move two courts. Director Shea said the easy answer would be to demo here and put two courts here, although that has not been discussed with the board. Commissioner Young stated that it would be an additional \$1.5M+ to move the pool and is troubled that the maintenance shed, which is in good condition, would need to be torn down. Commissioner Krmenek said if we look at the two alternatives between \$13.3 and \$14.5 million and add in the 8% fee from Larson and Darby, assuming we hire a construction manager, add in construction manager fees at 5% (665,000 for a pool in current location and 725,000 for there), replacing the tennis courts for \$1M, the old pool demo at another \$500,000 ... the real cost is \$15,029,000 for the current location and to move it would be \$17,885,000. The different is almost \$3 million more to move the pool, which doesn't include financing. That is a significant difference between the two locations. Director Shea clarified that the Larson and Darby fee is included in the 10% line item. Commissioner Krmenek stated then difference is still about \$2 million. President Fagan said we are still talking about 15 million bucks. Where is that money going to come from and how will we pay it? We don't want to extend ourselves to where we can't support the other park district areas. Commissioner Krmenek added especially for something used 10-12 weeks out of the year. When President Fagan inquired about what the payoff would be for \$15M, Director Shea said the repayment would be \$1.1 million for 20 years. With the GO Bond of \$1.4 million a year, that would leave \$300,000 for capital projects. We have healthy reserves in the rec and general fund, but there are big ticket items we planned for using that. At the Rec Center, the artificial turf needs replacement, Haish has an issue with the boiler. President Fagan mentioned the parking lots need to be done. He doesn't want to be pool poor. Commissioner Krmenek said she was interested in looking forward over the next 15-20 years on what the EAV estimates are, which may be helpful. Director Shea pointed out that when we hired Larson and Darby, we projected their cost to be \$700,000 for the whole project at \$8-10M. We are now double that cost for estimates right now. We need a pool, but it might not be the pool presented at the last two board meetings. Commissioner Young the issue is two-fold: is it located here and what can we afford? Can we reassess, can there be various options that are more affordable? Commissioner Krmenek said she thought about that, too. Are there any cost savings to go to 35 meter pool from the 50 meters? Going down to 4 lanes? Director Shea said he likes the layout, but we need to tone it back. A cost estimate for \$7.6M would be similar to the previous hybrid option, which is now roughly \$10M. Director Shea indicated that the entire mechanical system of the

current pool must be replaced because of the ongoing issues. Superintendent of Recreation Andrea Juricic said the design, including the “U” shape, was to support a bather load of around 1,000. New designs will probably lower the bather load. We also have to think about long term. Multiple comments were made about ways to reduce costs as well as considering capacity and lines in the future. It comes down to how to best support the community while keeping within our means.

VI. New Business

a. Audit Presentation

Commissioner Young questioned which fund balances are maintained at 25-50% to which Director Shea said that is the policy for all fund balances. Commissioner Young asked if that is that standard practice-does it ensure we are very stable short term. Is that why we are at that number? Brian LeFevre from SIKICH said the fund balance policy is a 3-6 month range. The district is above that at the end of the fiscal year, but he indicated that, as John said earlier, those funds are already targeted for projects. If you are issuing debt, from a rating agency standpoint, that is the expectation of people that may invest in your bonds. It is intended to be an adopted policy and then monitored. If there is more, then those dollars can be moved to the capital fund. President Fagan asked where we are. Mr. LeFevre said the District has a years’ worth or reserves. Director Shea added that for the general fund, some of the funds are allocated for the Buena Vista irrigation project and some for the pool A& E (architectural and engineering).

b. Action to Accept the Annual Comprehensive Financial Report (ACFR)

Commissioner Grada made a motion to accept the Annual Comprehensive Financial Report for the fiscal year ending February 28, 2022, seconded by Commissioner Young.

Motion carried by roll call vote. Aye: Krmeneć, Fagan, Grada, French, Young.
Nay: None. Absent: None. (5-0-0)

c. Action on Resolution 22-03: Funds Transfer from Recreation Fund to Hopkins Pool Fund

Commissioner French made a motion to approve Resolution 22-03 to transfer \$64,538 from the Recreation Fund to the Aquatics Fund, seconded by Commissioner Krmeneć.

Motion carried by roll call vote. Aye: Krmeneć, Fagan, Grada, French, Young.
Nay: None. Absent: None. (5-0-0)

d. Discussion on General Obligation Bond and Long-Term Financing

Aaron Gold with Speer Financial presented information on long-term financing options. President Fagan stated that he was on a council that was on the back end of a rollover, which wasn't fun. Right now we have taxing bodies coming to us and they want to knock their rate down. Doing a referendum for half the project as mentioned is not a bad idea. Doing a referendum for 100 % of the price wouldn't work. It is something to think about. President Fagan asked if finance rates drop whether we can refinance. Mr. Gold said that is what the call date of 2033 is for. Usually there is a 7-10 year call. Commissioner Young said he is concerned about the park district in the long term that the district is able to do the things needed. It is finding that sweet spot, especially for future board members. He asked what Mr. Gold was seeing in the industry. Mr. Gold said he has sold 20 rollover bond issues for park districts because they are funding December alternate bond payments. This is your tool, as a board, to infuse your capital program with annual rollover bonds, either to annual capital or to advance a portion through the issuance of alternate revenue bonds. It is a limited source, you just need to figure out how you want to allocate it. It's an extremely common practice in the industry. It's all about making sure of the right size and fit for your need.

e. Discussion on Truth in Taxation Resolution 21-05: Resolution Establishing Estimate of Funds to be Raised by Taxation for the 2022 Levy Year

President Fagan commented that with all the building being brought in-because of occupancy we are not yet getting the tax on that. Hopefully in the future we can drop the rate. We don't want to cut ourselves short, but we don't want to increase the tax rate either. Fagan asked what the EAV is, to which Mr. Rock indicated we are using 5%. Director Shea said that the all the tax levy amounts for 2020 and 2021 are in the Comprehensive Annual Financial Report. He added that we have an additional \$100,000 increase in taxes since we can restructure where the money into the general and recreation funds. We're still decreasing the rate for the benefit of the taxpayers. Commissioner Krmenek asked why we are decreasing the rate when we are talking about how to pay for a pool and other capital improvements? President Fagan what the money would be if we kept the rate the same. Director of Finance indicated that we can explore different rates and the resulting income. Director Shea said last year we presented three different scenarios for taxation. We can discuss alternatives.

f. Discussion on 2023 IAPD/IPRA Annual Conference

Commissioner French said he attended last year and is unsure if he will run again for this position. If no one else wants to go, he would be interested. Commissioner Krmenek and President Fagan indicated they would both be interested.

g. Action authorizing a Contract with Big D's Hotdogs for Concession Sales

Commissioner Krmenek made a motion to approve the one-year Contract for Concessions Services with Big D's Hotdogs of DeKalb, Illinois beginning

November 1, 2022, and expiring October 31, 2023, seconded by Commissioner Young.

President Fagan asked whether we had gone to the public to offer to other competitors. Andrea Juricic responded there was an RFP in 2019 and Big D's was only one to submit. It was a one-year contract with 3-year renewal, expiring in 2023. Director Shea added the next RFP would be next year. President Fagan asked if we have we been happy with them. Andrea Juricic said there have been no major complaints. It's been challenging with the pool because we allow outside food. The previous contract used to include the ballfields and Kiwanis Field, but due to economy, the game scheduling, and COVID, these have been removed from this contract. Director Shea indicated Big D's has tried new things for the kids, they monitor their hours, and they do a great job for indoor soccer.

Motion carried by roll call vote. Aye: Krmeneć, Fagan, Grada, French, Young.
Nay: None. Absent: None. (5-0-0)

h. Action on DeKalb Township Intergovernmental Agreement

Commissioner Grada made a motion to approve the Intergovernmental Agreement between the Park District and DeKalb Township, seconded by Commissioner French.

Motion carried by roll call vote. Aye: Krmeneć, Fagan, Grada, French, Young.
Nay: None. Absent: None. (5-0-0)

i. Action on Resolution 22-04: A Resolution to Release Closed Session Minutes

Commissioner Krmeneć made a motion to approve Resolution 22-04: A Resolution to Release Closed Session Minutes, seconded by Commissioner Grada.

Motion carried by roll call vote. Aye: Krmeneć, Fagan, Grada, French, Young.
Nay: None. Absent: None. (5-0-0)

j. Items over \$10,000

i. Buena Vista Gazebo Installation

Commissioner Young made a motion to approve the proposal from E. Hoffman, Inc., Lombard, IL in the amount of \$17,600 for the cement work and installation of the Gazebo at Buena Vista Golf Course, seconded by Commissioner French.

Commissioner Krmeneć asked whether this was replacing an existing gazebo, to which Director Shea said no, it was new. President Fagan asked what the board was thinking when they approved this, why would there be a

gazebo installed on a 9-hole golf course? Director Shea said the request was made because the donor's father passed away, his favorite golf course was Buena Vista, and they worked with staff to pick a location because she wanted to do something in memory of her father. Commissioner Krmeneč said she researched this. She knows this is an inherited project, but we are spending about double of what was estimated for this project, and said she questions how this serves the park district's mission. She suggested the board consider implementing new policies on projects proposed by individuals, whether it's a small piece of donated land or building something. The projects end up costing the district money. And here we've been talking about how we're going to pay for things we need. While she feels we have to spend the money for this since the gazebo was already purchased, we really need to look at policy. The district has memorial projects of trees and benches available. In addition, the park district ends up with the maintenance costs. President Fagan agreed. What is the actual cost of these items? We should not approve anything where the money is coming from park district funds. He thinks a policy is overdue. Commissioner Grada added that there is ongoing maintenance costs, and then what happens when the item reaches the end of its lifespan? What happens when it has to be removed? President Fagan asked Director Shea to bring a policy to the board.

Commissioner French excused himself from the meeting at 7:40pm.

Motion carried by roll call vote. Aye: Krmeneč, Fagan, Grada, French, Young. Nay: None. Absent: French. (4-0-1)

ii. River Heights Digital Marquee Electrical Run

Commissioner Krmeneč made a motion to approve the quote from Swedberg Electric to run electrical service for the new digital marquee at River Heights Golf Course in the amount of \$17,198.00, seconded by Commissioner Grada.

President Fagan requested confirmation that we had just one full bid, to which Mat Emken responded yes.

Motion carried by roll call vote. Aye: Krmeneč, Fagan, Grada, Young. Nay: None. Absent: French. (4-0-1)

iii. SRC HVAC Engineering

Commissioner Krmeneč made a motion to approve the proposal from the WT Group to provide engineering services for the replacement of the Sports and Recreation Center's main office HVAC system in the amount of

\$16,000.00 plus reimbursable expenses, seconded by Commissioner Young.

Director Shea explained the project remaining amount will be rolled over as the lead time on this is about 57 weeks. Commissioner Krmeneč asked whether this would be the last HVAC work for SRC. Mat Emken said there is one central control system that is finicky. It may come up in a future budget cycle, but there is no more HVAC work there. Director Shea added that all spaces will be 100% operational and new within the last 2 years.

Motion carried by roll call vote. Aye: Krmeneč, Fagan, Grada, Young. Nay: None. Absent: French. (4-0-1)

VII. Financial Reports

Commissioner Young made a motion to accept the monthly financial reports presented in October 2022, seconded by Commissioner Grada.

Motion carried by roll call vote. Aye: Grada, Krmeneč, Fagan, Young. Nay: None. Absent: French. (4-0-1)

- a. Monthly Paid Bills Listing**
- b. Monthly Financial Summary**
- c. IT Summary**
- d. Board & Staff Travel Expense Summary**
- e. FOIA Report**

VIII. Open Comments from Commissioners and Director

Commissioner Young thanked staff for the continued work on pool project. He hopes that in the short term we can get something signed. President Fagan apologized for not recognizing the pool committee members at the meeting last week. He appreciates all the work going into the budget. Commissioner Krmeneč thanked everybody, especially for work on the pool. We have a long way to go, especially with financials, but we've made huge strides. We know need the pool, but now how are we going to make it happen. Director Shea said thanks to all the staff. He said we will have the budget presentation ready for the board meeting in January. There is an option to move one meeting to a Saturday in January. After many years, Wendy Hayes has announced her retirement for December 30th of this year. He and Andrea have looked at the Recreation department and where we are going. Per policy, we have the opportunity to restructure, but we have not made a final decision. In the interim, we will hire front desk staff to help and look at the needs of the district.

IX. Closed Session

- a. Personnel- 5 ILCS 120/2(c)1**

Commissioner Krmeneč made a motion to go into closed session under Sections 2(c)(1) of the Open Meetings Act, seconded by Commissioner Young.

Motion carried by roll call vote. Aye: Krmeneč, Young, Grada, and Fagan. Nay: None. Absent: French. (4-0-1)

X. Reconvene Open Meeting

Commissioner Krmeneč made a motion to return to open session at 8:32 p.m. Commissioner Young seconded the motion.

Motion carried by roll call vote. Aye: Krmeneč, Young, Grada, and Fagan. Nay: None. Absent: French. (4-0-1)

XI. Adjourn Public Meeting

Commissioner Young made a motion to adjourn the meeting, seconded by Commissioner Grada.

Motion carried by roll call vote. Aye: Grada, Krmeneč, Young and Fagan. Nay: None. Absent: French. (4-0-1)

Meeting adjourned at 8:32 p.m.