



Board of Commissioners

Dag Grada
Brian Tobin
Gail A. Krmeneć
David Castro
Doug Eaton

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MINUTES

**DeKalb Park District
Public Meeting of the Board of Commissioners
September 26, 2024
Hopkins Community Center, DeKalb, IL**

**Public Meeting
6:00 p.m.**

1.0 Meeting Call to Order:

President Dag Grada called the meeting to order at 6:00 p.m.

Roll Call

Board members present: President Dag Grada, Vice-President Brian Tobin, Secretary Gail A. Krmeneć, Treasurer David Castro and Commissioner Doug Eaton.

Board members absent: None.

Staff Members Present: Executive Director Paul Zepezauer, Superintendent of Parks & Development Mat Emken, Superintendent of Recreation Chrissy Tluczek, Accounting & Administrative Assistant Jennifer Anderson, Wes Levy (Lauterbach and Amen), Mike Siefken, and Dave Kesson.

2.0 Amendments/Approval of the Agenda

2.1 Amendments

Commissioner Tobin made a motion to strike item 5.2, Action to Declare Shroeder Asphalt in default for failing to undertake the work after the award, seconded by Commissioner Castro. Motion carried by roll call vote. Aye: Krmeneć, Castro, Tobin, Eaton, Grada. Nay: None. Absent: None. (5-0-0)

2.2 Approval of the Agenda

Commissioner Tobin made a motion to approve the amended agenda, seconded by Commissioner Castro. Motion carried by roll call vote. Aye: Krmeneć, Castro, Tobin, Eaton, Grada. Nay: None. Absent: None. (5-0-0)

3.0 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.

3.1 Minutes of the Public Meeting of August 22, 2024

Commissioner Eaton made a motion to approve the agenda, seconded by Commissioner Tobin. Motion carried by roll call vote. Aye: Kremenec, Castro, Tobin, Eaton, Grada. Nay: None. Absent: None. (5-0-0)

4.0 Public Comments

None.

5.0 Old Business

5.1 Action on Park District's vote regarding DeKalb TIF #4 at the Joint Review Board Meeting

Commissioner Tobin made a motion to approve a yes vote regarding DeKalb TIF#4 at the Joint Review Board Meeting, seconded by Commissioner Eaton.

City Manager Bill Nicklas addressed the Board regarding the proposed TIF 4 district. He indicated there would be a Joint Review Board meeting the following day, where, in addition to discussing the existing TIF District for downtown DeKalb, the possibility of a new TIF District running along a Fourth Street corridor would also be discussed. He said there has been discussion about how the taxing bodies need property taxes. The Fourth Street corridor has been challenged, especially on the commercial side for a lot of years, particularly with the loss of the dominant Eagles shopping center. There has been some backfill with other uses, including Lehan's, but the other uses haven't produced a lot a sales taxes nor has the valuation of the building been increasing with the general valuation of properties in the community. He stated the valuation of the properties in the corridor are at about half the pace of property valuation in the rest of the community. Even discounting the equalization factors, there has been some, but modest, EAV growth that has created new property tax base, but that corridor has lagged. In 2013, there was a proposal to create a TIF for lots on either side of south Fourth St., but the taxing bodies decided at that time not to proceed. Tomorrow on the table is how to soften the impact on everybody in terms of property taxes. He posed the question of why the City doesn't just do it. He indicated there were other ways to proceed, including the creation of a development fund by the City, which would have to come from general revenue dollars. Another way would be to create a new tax by creating a special service area. In trying to grow the EAV, he said we've all been the beneficiary of the tremendous industrial growth in the south city. The City's estimate, in collaboration with the County, is another \$170M in EAV growth, which provides breathing room for levies to go up but the tax rate to go down. He then explained how a TIF District works. The plan for the proposed TIF District is to keep the number of the lots at a minimum and include some taxing bodies' facilities, incorporating the township, the school, and the park district. There are a lot streets there. Route 23 is state route where the City is looking at collaborating with the State. It's a four lane raceway, a long stretch from Taylor to Fairview without a break. A lot of school kids walk along

there. They would like to do what was done downtown: go from four lanes down to three, which would gain about 8 feet on either side for parkway. The City wants to create a safer corridor and something more attractive. There is a possibility of projects in looking at a preliminary breakdown of where costs could go. If you look at this not primarily rehabbing private property, there has to be some promotion of reinvestment in commercial property. There's a chunk in there for the taxing bodies, but there is a flaw to that, because you have to come up with a number for all the taxing bodies and the projects may not make as much sense 5 years from now as they did at the start. He said there would be a proposal tomorrow by the school district to have a revenue sharing piece. Rather than waiting 23 years for the full benefit, the revenue sharing to be discussed tomorrow, which is all negotiable, would be starting at around 33 percent a year. It cuts down on what you can do in a year, it saves some of that otherwise contributed tax money to the TIF fund for the taxing bodies. He said he will personally favor that tomorrow when the school district brings it up. He had an idea of what might be counterproductive when you get to a certain point, 50% or whatever that is, especially in the first 5-10 years. You're giving away half of what you're getting and it's never enough to do some of the bigger things that might need to be done. He said he wasn't a salesman for this, he was trying to find a way. He said the TIF Act even says but for the TIF, something's not going to happen. We've waited a long time for private development to come. It's kind of mind-boggling because there have been several billion dollars of new investment just south of the tollway. The City Council has indicated they would be willing to support this, but there is more conversation with the park district and the other taxing bodies. If tomorrow it doesn't seem like it's time yet, there can be another special meeting. Until all ideas are exhausted, then there can be a vote. It hopefully will point us in some direction to bring new life to the corridor. Commissioner Krmenc asked Dr. Nicklas whether the \$170M in EAV growth he mentioned was before or after the abatement, to which he indicated after. He said everyone got caught last few years on whether that included the abatement. There was an exceptionally high number of appeals last year. He had a plug-in number in there of \$75M last year, it was \$40M. The longer it goes on, the higher it is, the equalization factor was almost 10%, some people asked for relief, and some didn't. If it was a vacant building they were more likely to get it. The number he got from the County is a little more than the \$170M. We have to realize that it's an enormous number. The reason it's so big, bigger than last year, is because there are 5 META buildings. Two are fully energized now, the third one is in the process of being energized, META doesn't use the number 4, building 5 is occupiable and now 2/3rds assessed, and 1/3 of 6 is assessed by the Afton Township assessor. We've gotten a bite out of portions or all of three buildings this year. He said to consider that next year will probably be another banner year because you get 1/3 of one and 2/3rds of another, which will probably be another \$140M or something similar. The year after that, there's not another building coming out of the ground for various reasons. Thinking ahead, if you loft your levy above a certain point, you could get to a year where EAV drops. Kraft-Heinz might make up the

difference, but there has to be something to make up the difference. There's another 700 acres that's in play. It won't have the electrical capacity for the next 2-3 years, but that doesn't mean building can't start. ComEd is fielding calls from companies that are indicating they want to build a data center in DeKalb. The Bank of Canada recently had a conference in Chicago that a lot of data centers attend, and they are mostly interested in the northern tier of states in the U.S. The keynote speaker repeatedly mentioned DeKalb.

Commissioner Castro said he understood the TIF concept and wasn't against it in general, but wondered if Dr. Nicklas could articulate what was in it for the park district. Dr. Nicklas said that is the essential question to be asked. You have to wait because you can't build up enough of a fund overnight to prompt the private reinvestment that raises the EAV. Then when the TIF comes off, then there's a big payday in terms of EAV that can be taxed. Castro followed up with the question of how properties in this area would benefit from this. Dr. Nicklas said a few projects were identified at the open house held last night regarding this and by the council a few weeks ago. It's a fairly flat area, with mostly kept-up ranch houses built in the 50s and 60s. The storm system infrastructure in the area is insufficient which the City could improve. Commissioner Kremenec commented that at this point she couldn't support the TIF 4 district. She said it sounded like tomorrow there would be a new proposal for revenue sharing, but we don't really know, and yet will be asked to vote. We don't know, as a Board what the proposal would be. She is not in favor of delaying the tax payments to the park district because we're re trying to pay for a pool and have other large capital improvements, which will be impacted by the pool for years. Commissioner Tobin asked what the tax generated for the area was. Dr. Nicklas said the aggregate EAV was 9.4%. Wes Levy of Lauterbach & Amen said for the park district it's about \$79,000. Commissioner Tobin confirmed that the park district would still get that amount, but would not get an amount above that for an increase in EAV, and we wouldn't get more until further businesses are developed. If no development happens there, it will go down in that area. No one will buy the Protano property to do anything with it until remediation occurs. Knowing that we will get essentially get what we are now, and then when the TIF is over being able to pull back the funds or use some the TIF for other projects out there at the Sports and Rec Center, he is in favor of it. Mr. Levy said he had run some numbers if the Board was interested in hearing them. The project area's current EAV is \$12.4M; the \$79,000 is based on the 2023 park district levy. That \$12M EAV based on 2023 park district's 2023 levy is only 1.5% of the district, so it is a small portion of the district. It was mentioned that after abatement, EAV growth for the 2024 tax levy is an astronomically large number that would generate, should the Board choose, and an additional \$840,000, ballpark, in property tax revenue for next year. When we compare that new growth to the size of the project area, it is significant. It was also referenced for the expiring TIF in 2021, it allowed us to increase the levy that year by \$400,000. Into the future, and he didn't know the size of the expiring TIF, there is an opportunity for significant growth into the future. That \$79,000 today, with inflation decreasing, without any additional growth, it only adds a very incremental increase

to the tax levy each year. The average increases are only in the 2-3% range. The District would not be forgoing significant increases. Commissioner Tobin added that there is a lot more potential for gain in the future should that area become developed and thriving and generate tax dollars. He asked when the current downtown TIF ends, which Dr. Nicklas indicated it was effective in 2018, so it will be 2041. The consultant's projection is around \$22M. Commissioner Krmeneč asked Mr. Levy for clarification regarding his earlier statement that the district would only receive about \$2,000 per year if it doesn't do anything. She wanted to confirm that the District would still reap tax benefits from any growth that might occur in the area even if the District doesn't agree to participate in the TIF. Mr. Levy indicated the district would. He also indicated that based on the projection, the EAV would go from \$12M to \$22M at the end of the TIF.

Motion carried by roll call vote. Aye: Castro, Tobin, Eaton, Grada. Nay: Krmeneč. Absent: None. (4-1-0)

6.0 New Business

6.1 Discussion on Hopkins Park Pool New Construction Design

Director Zepezauer said there are two different options for the pool design, as discussed in the past. He and Superintendent Tluczek reviewed the operational side and how the front gate entrance would be staffed. He highlighted the changes from the last pool discussion. Now there is one main entrance; one parking lot would serve the pool and the other would serve the community center. With one entrance, staff can be consolidated. He pointed out the first aid/lifeguard station, the mechanical area, and the relocated trash area. For the first pool design, the pool itself has a zero depth entry, six 25-meter lap lanes, and a plunge pool for the two slides. Right now the two slides are shown as part of the base bid because code is such that it requires one attendant for each set of two slides. The third run-out slide would trigger a second attendant at the top. They looked at the possibility of emptying the runout slide in a different place, but code dictates that the attendant at the bottom of the plunge pool can only monitor the plunge pool, not another slide bottom. The third slide would trigger two additional staff which would likely add a cost of \$10-12,000/year. There will be an alternate bid for the two runout slides. There is a sprayground, likely fenced in, but it will not have standing water like the current (closed) pool. This would be just a flat surface with water that drains. There would be no guarding an actual pool, but would still have lifeguards. The design includes a concession stand with a window that serves the outside area and a window that serves the inside in a fenced in area, and a fenced in area for the summer camps. The deck has perimeter lounge chairs all around, the locker rooms would be completely refinished and the design also includes the infrastructure. When considering numbers, the total number was roughly \$14.2M, which includes not only the pool, but the infrastructure, the mechanicals, the community center, the locker rooms, and other things for the site. It's not just the pool itself. In the

second design, everything looks the same, but the pool from March was used (50-meter pool), and that added approximately \$850,000 to the cost. Commissioner Tobin asked why with same rectangle surface area wasn't used in the first design. Now it's a softer curve. Director Zepezauer said the staff had trouble getting to the right number of lifeguards, so the area shrunk a little. Superintendent Tluczek stated the lifeguard number went from 6 to 5. Commissioner Castro asked about the operating cost of one design versus the other, to which Director Zepezauer responded it costs approximately \$30,000 more to operate the 50-meter pool. They did not look at the volume of water, just staffing. Commissioner Grada added that since there would be less volume there would be less chemicals, treatment, and heat required. Commissioner Castro stated that everyone knows he has been advocating for the 50-meter pool, so he wanted to make the argument for it. He said up until March we had been considering a 50-meter pool, and then due to various circumstances, in May we started to consider a different design, which compromised capacity and the ability to swim the long course. There is value in having the ability to swim the long course. We should at least have a discussion about it. The financials have changed, which brings us to these two designs with a difference in price. He thought that with the leisure pool we are compromising the capacity and the ability to swim the long course. He said there was a capacity reduction of 16%. He said he crunched numbers and the new design results in sixteen square feet per individual, which equates to a diameter of about 4 feet. The difference in price is \$850,000, but this investment is for decades to come. He said there are different ways to look at this number. The \$850,000 over the \$14.2M is a 6% increase. Another way to look at it is we are sacrificing capacity and the ability to swim the long course for a 6% savings. He felt there was value in maintaining capacity and the ability to swim the long course. Commissioner Grada said he empathized with the desire to have the long course. In his experience and for the benefits for community as a whole, a zero entry is greater than that of having the long course. The number of people for which zero entry would be useful is greater, it would be wonderful to have both, but he didn't even want to think about the price tag for it. Going this way, there is increased utility for the pool. He said he doesn't even look at the \$850,000 as far as construction costs, rather looking at the loss of the zero entry and the operating costs. We have traditionally run a deficit for pool operations, which is not the end of the world because we're providing recreation for the community, but we're spending tax dollars and if we can find a way to reduce that deficit, he was in favor of something simpler with less energy and chemical requirements. Operationally, there are 1-2 more lifeguards required for the 50 meter pool. He thought the leisure pool was better for the community. Commissioner Krmenc echoed what Commissioner Grada said. The zero entry pool is a greater benefit and serves the overall community in a much greater capacity than the 50-meter pool, which only serves a very small number of people. When pool is open, no one is swimming the 50-meter length because the ropes are up to separate the 25-meter lap pool from the rest of the pool. The only time that the 50-meter pool is open is when the swim team uses the pool early in the morning. The

50-meter pool design is accommodating a special interest group rather than the entire community. A zero entry pool serves the elderly, disabled, people with mobility issues, and offers space to those youngsters too big for kiddie area but not yet swimmers allowed into the deep area. There is no guarantee that the special interest group would exist for the life of the bond payments. When you think of the bond payment timeline and who utilizes the pool, the special interest may not be there but the elderly, disabled, and youngsters would still be around. Commissioner Krmeneč added that the ADA fund can be used for a zero depth pool. She said she appreciated Commissioner Castro's view, but this pool design serves entire community. Commissioner Tobin asked how plunging into the 50-meter pool could happen. Steve Nelson of Larsen & Darby and Jim Leppert of IHC indicated that the area would have to be roped off. Commissioner Tobin added that in reading the documentation he thought the leisure pool was the staff's recommendation. Director Zepezauer said yes, although he appreciates Commissioner Castro's comments. Commissioner Eaton echoed what Commissioners Grada and Krmeneč said. Commissioner Castro added that the future is uncertain for sure, and it is true that a limited number of individuals would benefit from long course, but it's always about the few when it comes to these kind of things.

6.2 Action to Approve Hopkins Park Pool New Construction Design

Commissioner Tobin made a motion to approve the Leisure Pool concept design and enter the construction drawings phase of the project, seconded by Commissioner Eaton.

Motion carried by roll call vote. Aye: Krmeneč, Tobin, Eaton, Grada. Nay: Castro. Absent: None. (4-1-0)

6.3 Action to Approve FY2024 Annual Report

Commissioner Tobin made a motion to approve the FY2024 Annual Report, seconded by Commissioner Castro.

Motion carried by roll call vote. Aye: Krmeneč, Castro, Tobin, Eaton, Grada. Nay: None. Absent: None. (5-0-0)

6.4 Action to Approve Pest Control Service Provider

Commissioner Tobin made a motion to enter into a 3-year service agreement for pest control services for District facilities with Pest Control Consultants, Sycamore, IL, seconded by Commissioner Eaton.

Motion carried by roll call vote. Aye: Krmeneč, Castro, Tobin, Eaton, Grada. Nay: None. Absent: None. (5-0-0)

6.5 Action to Approve Superintendent of Finance and Administration Job Description

Commissioner Tobin made a motion to approve the updated Superintendent of Finance and Administration job description, seconded by Commissioner Eaton.

Director Zepezauer thanked Wes Levy and Mary Frost of Lauterbach and Amen for everything they've done during this transition, indicating he has had a long history with the firm.

Motion carried by roll call vote. Aye: Krmenech, Castro, Tobin, Eaton, Grada. Nay: None. Absent: None. (5-0-0)

6.6 Contracts over one year and/or items over \$10,000

a. BS&A Financial Software

Commissioner Tobin made a motion to approve BS&A for General Ledger and Accounts Payable beginning on March 1, 2025. The total first year cost is \$23,775 plus travel expenses which are estimated at \$4,740, seconded by Commissioner Krmenech.

Commissioner Tobin asked whether the data would be exported out of the old system. Director Zepezauer indicated it is easier to start fresh and not convert the data. We could always go to physical files if needed because they have been maintained, including payroll data. Once the audit is completed, then we don't need the software. It's not worth the cost and time to convert and maintain it. Commissioner Tobin asked if the server is hosted by them or through a local provider, to which Director Zepezauer indicated it is a cloud service.

Motion carried by roll call vote. Aye: Krmenech, Castro, Tobin, Eaton, Grada. Nay: None. Absent: None. (5-0-0)

b. Paycom Payroll & HR Software

Commissioner Tobin made a motion to approve the Paycom Payroll & HR Software for an estimated first year total of \$23,544.33 and an estimated annual cost thereafter of \$20,855, seconded by Commissioner Castro.

Commissioner Tobin asked if we were converting the Paycom software sooner, and wanted to confirm there was a cost savings in dropping Applitrack. Director Zepezauer said it will happen before the current Human Resources Manager leaves. When all the software is put together there is a savings, primarily in staff wages. Commissioner Tobin asked if we still print paychecks. Director Zepezauer said there are maybe 6-8 paychecks, but we could also offer a debit card.

Motion carried by roll call vote. Aye: Krmenech, Castro, Tobin, Eaton, Grada. Nay: None. Absent: None. (5-0-0)

c. Verizon Connect Fleet Management Software

Commissioner Eaton made a motion to approve the Verizon Connect Fleet Management Software at a cost of \$5,685 for one year, seconded by Commissioner Tobin.

Motion carried by roll call vote. Aye: Krmeneč, Castro, Tobin, Eaton, Grada. Nay: None. Absent: None. (5-0-0)

d. YamaTrack GPS & Service Agreement

Commissioner Tobin made a motion to approve the agreement with YamaTrack GPS in the amount of \$13,440 per year and the service agreement with Harris Golf Carts in the amount of \$4,200 per year for a total one-year cost of \$17,640 per year, seconded by Commissioner Eaton.

Commissioner Grada asked if there was a cap on the \$4,200 for the service agreement. Director Zepezauer said it is for anything that goes wrong, including labor. It does not cover damage, such as running into a tree. Commissioner Eaton asked if someone will sit down and map the geofencing. Director Zepezauer said Yamaha takes the lead and does it, but then we have access to adjust it. Commissioner Castro asked what we do with old ones. Director Zepezauer responded those will go for trade in. Commissioner Krmeneč added that we should have a marketing campaign to alert the golfers, especially about the new technology, and how the District is continuing to improve the golfing experience.

Motion carried by roll call vote. Aye: Krmeneč, Castro, Tobin, Eaton, Grada. Nay: None. Absent: None. (5-0-0)

7.0 Financial Reports

Commissioner Eaton made a motion to accept the monthly financial reports presented in September 2024, seconded by Commissioner Tobin.

Motion carried by roll call vote. Aye: Krmeneč, Castro, Tobin, Eaton, Grada. Nay: None. Absent: None. (5-0-0)

- 7.1 Monthly Paid Bills Listing
- 7.2 Monthly Financial Summary
- 7.3 IT Summary
- 7.1 Board & Staff Travel Expense Summary
- 7.2 FOIA Report

8.0 Open Comments from Commissioners and Director

8.1 Board

a. Efficiency Committee Appointments

President Grada said it needed to be stated for the record that Paul Zepezauer fills the Executive Director's position, Commissioner Doug Eaton will move to a Board Commissioner position on the committee, and Nicholas Atwood will be added as a resident on the committee.

8.2 Director

a. Sponsorship brochure.

Director Zepezauer told the Board if there were any questions or comments on the brochure to let him know. The next steps will be to print, and then Community Outreach Coordinator Joe Fabricino would start meeting with local businesses. Commissioner Grada said he liked the format and statistics on the first page or two.

9.0 Closed Session (Not Anticipated)

Not held.

10.0 Reconvene Open Meeting (Not Anticipated)

Not needed.

11.0 Adjourn Public Meeting

Commissioner Tobin made a motion to adjourn the meeting, seconded by Commissioner Eaton.

Motion carried by roll call vote. Aye: Krmeneč, Castro, Tobin, Eaton, Grada. Nay: None. Absent: None. (5-0-0)

Meeting adjourned at 7:29 p.m.

Dag Grada, President

Gail A. Krmeneč, Secretary