

MINUTES OF A FINANCE COMMITTEE MEETING OF THE BOARD OF PARK COMMISSIONERS OF THE PARK DISTRICT OF HIGHLAND PARK HELD ON THURSDAY, FEBRUARY 18, 2021, 4:00 PM. THE MEETING WAS CONDUCTED REMOTELY DUE TO THE GOVERNOR’S DECLARATION OF EMERGENCY AS A RESULT OF THE COVID-19 PANDEMIC. MEMBERS OF THE PUBLIC WERE ABLE TO VIEW A LIVE STREAM OF THE FINANCE COMMITTEE MEETING AND SUBMIT ITEMS FOR PUBLIC COMMENT VIA EMAIL TO THE EXECUTIVE DIRECTOR TO BE READ ALOUD DURING THE MEETING.

Present: Commissioner Bernstein, Vice President Kaplan, President Ruttenberg

Also, Present: Executive Director Romes; Director Peters, Director Dunn, Director Gogola, Director Voss, Director Smith, Director Carr; Assistant Director Maliszewski; Manager Ochs, Manager Warsaw; Accountant Rosen; Manager Johnson; Coordinator Hejnowski

Guest Speaker: None

Public Comment for Items on the Agenda

***Sangeet Singh-Gasson
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It would be good to make sure there is an online or mail-in method for people to order and be mailed their lakefront parking stickers rather than have to go in person to the Recreation Center. In light of COVID-19 it would be safer to have this option. Even pre-pandemic, stickers could be ordered online or via mail-in forms from the city of Highland Park. Perhaps this is already the plan for the Park District of Highland Park, but it wasn’t clear to me from the new Spring Brochure.

February 4, 2021 Finance Committee Meeting minutes were approved.

2021 Financial Forecasts and Treasurer’s Report

Projected Cash Flow/Operations (Operations General and Recreation Fund)

Director Peters presented the District’s chart of 2021 operations which examines the General and Recreation Funds comparing the budgeted vs. projected cash on hand at the end of each month. She reminded the Finance Committee Liaisons that the General and Recreation Funds have a 25% reserve policy, which based on the 2021 expenditures is about a \$4.1 million reserve balance. As of December 31, 2021, the Park District budgeted to have about \$12.2 million in cash on hand vs. the projected which is currently \$11.8 million.

Operations (General and Recreation Funds) Budget vs. Actual

Director Peters reported that staff are projecting the Park District to have a \$2.2 million surplus as of December 31, 2021, however, the actual revenue and expenses for January were less than budgeted since

programs and services were limited due to the mitigation measures enforced by the governor. Overall, the actual expenses vs. the budgeted for January operations was \$200,000 less. Likewise, the actual revenue vs. the budget was \$100,000 less. Even with the reduced revenue for January, Director Peters is pleased to report that the Park District generated a \$121,404 operating surplus due to reductions in payroll and similar expenses.

General Fund (Revenue and Expenses as of January 31, 2021)

Director Peters that the Park District budgeted a \$145,968 net surplus as of December 31, 2021. As for revenue and expenses, she reported that the actual revenue nearly mirrored the budgeted figure, however, the actual expenses were significantly less than budgeted, which is attributed to the payroll reductions as a result of the mitigation measures. Overall, the year to date actual vs. budgeted is a surplus of \$79,403.

Special Recreation Fund (Revenue and Expenses as of January 31, 2021)

As a reminder, the Park District planned a \$254,793 net budgeted deficit with the tax levy since a significant amount of unused funds from 2020 were transferred into the 2021 budget. As a result, the Park District plans to spend a little over \$730,000 in 2021 and has reduced the budgeted revenue to \$480,000. Lastly, the Park District made a \$346,741 contribution to the Northern Suburban Special Recreation Association (NSSRA) for the development of a new facility.

Recreation Fund (Revenue and Expenses as of January 31, 2021)

The Park District is budgeting a little over a \$2 million surplus as of December 31, 2021. Like the General Fund, the actual revenue was \$120,000 less than budgeted and the actual expenses were \$160,000 less than budgeted for January. Overall, there is a year-to-date surplus of \$42,001.

Debt Service Fund (Revenue and Expenses as of January 31, 2021)

The Park District strives to have a zero-balance at the end of the year since this fund is solely used to pay the Park District's debt. The first of two interest payments for those debts will be made in June. Additionally, staff expects to receive revenue from property taxes right around that time.

Capital Fund (Revenue and Expenses as of January 31, 2021)

Director Peters reported that the Park District purposely budgeted a \$5.4 million deficit, \$5.7 million in expenditures, and \$400,000 in revenue from the OSLAD grant.

Commissioner Bernstein requested that staff update the capital chart to include transfers.

Monthly Payroll Actual vs. Budget

Director Peters reported that the Park District budgeted roughly \$10 million in payroll expenses for 2020, however as for the 2021 budget, the Park District reduced payroll expenses by 10%. Additionally, she is pleased to report that the District budgeted \$470,000 in payroll expenses for January, whereas the District spent \$402,593, so the Park District came in \$68,243 under budget for January.

President Ruttenberg requested that staff update this chart so it contains plotted monthly totals so that the Finance Committee liaisons can better understand how much the District is spending month to month on payroll.

Conclusion

Director Peters reported that Lake County was in the tier mitigation measures of the Restore Illinois Plan throughout most of January which reduced, or temporarily restricted programming so the actual revenue vs. the budgeted revenue was reduced. However, the net operating income was \$192,000 which surpassed the budgeted income by \$121,000, and payroll expenses came in \$68,243 under budget. Overall, the Park District is starting the new year ahead of budget and programs are trending in a positive direction while staff is managing district costs.

Commissioner Bernstein requested that the charts include three or five-year historical averages so that the Finance Committee Liaisons could better understand how the Park District is recovering from the pandemic and compare the current financial figures with the historical norms.

Director Peters reminded the Finance Committee liaisons that the 2021 budget assumes our region of the state will be in Phase 4 of the Restore Illinois Plan, so 2022 should be a more accurate comparison since staff are anticipating being in Phase 5 of the Restore Illinois Plan, or normal operations.

Executive Director Romes reported that staff will update the charts to include monthly revenue and expenses from 2017, 2018, and 2019.

President Ruttenberg requested that the charts also include footnotes if there are large discrepancies from year-to-year.

Commissioner Bernstein would like to know what staff are anticipating in 2022 regarding the Park District's financial position.

Executive Director Romes reported that the Park District's 5-Year Funding Model assumes finances will be back on track by 2023, however, this was built around a conservative approach.

Sunset Woods Park Playground Final Design Concept Proposal

Manager Schwartz shared an image of the final design concept plan of the playground renovation, reporting that the improved connectivity to the parking lot and other play spaces are the significant changes since the preliminary plan was presented on February 9. Additionally, she shared an image of the final design concept plan for the plaza and seating area. Overall, staff are seeking approval from the Finance Committee liaisons to present these plans to the Park Board of Commissioners.

Manager Schwartz reported that advancing through playground final design is a 5-Phase Approach beginning this March.

Phase 1: Design Development

Manager Schwartz reported that the first phase examines and refines the playground design details so that Hitchcock Design Group and staff can move into design and development plans.

Phase 2: Construction Documentation

Hitchcock Design Group will take the approved design development plans through construction documentation. In this phase, staff and Hitchcock Design group will focus on finalizing graphic documentation and specifications in preparation for the bidding process.

Phase 3: Permitting

Hitchcock Design Group will prepare and submit permit documents and acquire documents from the City of Highland Park and other permitting agencies.

Phase 4: Bid/Award

The Park District will manage the bidding phase; however, Hitchcock Design Group will assist by recommending contractors, attend pre-bid meetings, and issue addenda, as necessary.

Phase 5: Construction Services

Hitchcock Design Group will assist as needed on an hourly basis for construction administration, review close out documents, and conduct occasional construction observation. Additionally, a Park District staff member will be assigned to the project who will be on-site managing construction.

President Ruttenberg would like to know if the \$26,000 for construction observation from Hitchcock Design Group could be reduced.

Manager Schwartz reported that this is a higher-end estimate, so it could be lowered since the observation is on an as-needed basis.

Budget Estimate

Manager Schwartz reported that the total budget estimate is \$1,150,000 and is based on the preliminary concept plan for the playground. The estimated budget has not changed since it was presented on February 9.

Vice President Kaplan would like to know if the design and engineering fees include the costs for general contractors.

Manager Schwartz reported that the design and engineering fees include the cost for general contractors, which is within the 8-10% originally proposed construction costs. Overall, the final design concept proposal for the playground is \$82,100, however, staff are recommending and seeking approval for some additional services which include reimbursable expenses, 3D graphics and renderings, structural engineering, and the final design concept plan for the plaza and seating area.

President Ruttenberg would like to save money wherever possible, so he is opposed to spending \$5,600 for 3D graphics and rendering.

Manager Schwartz reported all these additional services are, as necessary, so if staff feels services are no longer needed when the time approaches those add-ons can be removed. However, structural engineering is a maximum estimated cost that is anticipated since the need for structural engineering depends on the number of custom play pieces selected during the design and development phase.

President Ruttenberg would like to know if staff see a need for custom manufactured play pieces.

Manager Schwartz reported that she thinks there will be a need for some custom play pieces, however, it will depend on conversations with manufacturers to see what they can provide.

Regarding the final design concept plan for the plaza and seating area, the current estimate is \$7,200, so while staff are trying to save money, they are seeking approval and recommending taking advantage of these additional services since the total project is under budget.

President Ruttenberg recommends placing benches in the area where Hitchcock Design Group is proposing a plaza to save \$7,200.

Manager Schwartz reported that the idea behind the final design concept plan for the plaza and seating area is to provide an improved gathering space, which was recommended by the community. The plan intends to address that need and get the Park District construction documents so that the project could be bid out and the Park District can receive final construction estimates for the plaza to determine if this project could be completed during the playground renovation.

President Ruttenberg would like to know what staff and Hitchcock Design Group are envisioning for this gathering space.

Manager Schwartz reported that the seating plaza makes this space a destination, however, even if the Finance Committee liaisons decide against this added service, the connectivity improvements will still occur.

President Ruttenberg would like to know how much staff are anticipating the plaza to cost.

Manager Schwartz reported that the \$7,200 is an estimate for the designs, however, the estimated construction costs are \$182,000.

President Ruttenberg is opposed to spending \$182,000 to construct a plaza, however, he is not opposed to spending \$7,200 to design a plan.

Executive Director Romes reported that since the Finance Committee liaisons are recommending changes, specifically cutting the estimated plaza construction costs in half, these changes will need to be discussed with the entire Park Board of Commissioners and voted upon. However, for tonight's discussion staff are seeking consensus from the Finance Committee on two items, the final design concept plan of the playground and to spend \$7,200 for Hitchcock Design Group to provide the final design concept plan for the plaza.

Commissioner Bernstein would like to know if the estimated \$1,150,000 for the playground renovation includes the plaza.

Manager Schwartz reported that the construction of the plaza is not included in the playground renovation, this is tied to the master plan. However, based on what staff heard from the community is that they would like a gathering space. Staff can work with Hitchcock Design Group to design a plaza that is within our budget while still achieving those intents.

Commissioner Bernstein supports the final design concept plan of the playground and to spend \$7,200 for Hitchcock Design Group to provide the final design concept plan for the plaza so long as staff provides clear direction to Hitchcock Design Group to design a gathering space that composes well with the natural area with little impervious surfaces.

President Ruttenberg reported that he supports the final design concept plan of the playground and is comfortable spending \$7,200 on the final design concept plan for the plaza, however, he is not comfortable constructing the plaza if it cost anywhere near \$182,000.

Commissioner Bernstein reported that it is the consensus of the Finance Committee to recommend to the Park Board of Commissioners to enter into the final design concept proposal for the playground renovation and to recommend to the Park Board of Commissioners that an additional sum not to exceed \$7,200 to design a plaza within our recommended criteria be approved.

Parks and Natural Areas Maintenance Agreements

Director Voss reported that staff will be seeking and recommending the approval of three maintenance contracts from the Park Board of Commissioners at the March 30 Regular Board Meeting.

1. *Seed Installation, Monitoring, and Management at The Preserve of Highland Park*

Staff is recommending and seeking consensus from the Finance Committee to recommend to the Park Board of Commissioners to renew the District's \$39,200 contract with V3 for monitoring and maintenance for the final year. The contract covers approximately 50 acres. Next year, staff will bid out the project with an increased scope due to the additional seeds and plantings occurring during the current construction project.

President Ruttenberg would like to know the length of the new contract.

Director Voss reported that the new agreement for 2021 would be the final renewal of the original bid. A new bid will be put out in 2022. That contract will be able to be renewed for two additional years.

2. *Landscape Services*

Director Voss reported that staff is recommending and seeking consensus from the Finance Committee to recommend to the Park Board of Commissioners that staff bid out and enter into a new agreement for landscaping services for 12 Park District sites and 8 alternate sites over 26 weeks. Services include mowing, string trimming, weeding, edging, cultivating, mulching, and leaf removal. As you may recall, Director Voss reported that parks staff completed most of the mowing and string trimming at the sites on this contract in-house last year due to the pandemic. However, with programming trending in a positive direction, parks staff will need to prepare and maintain athletic fields, open the lakefront on time and the aquapark so they will not be able to absorb these additional duties this summer. The Park District budgeted a little over \$100,000 for these services, however, staff will not have an estimate until bids are received.

3. *Turf Maintenance*

Director Voss reported that staff is recommending and seeking consensus from the Finance Committee to recommend to the Park Board of Commissioners to renew the contract for turf maintenance, which includes mowing and string trimming services for 26 weeks, beginning mid-April through mid-October, across 29 sites including local schools. The weekly cost is \$2,641 to provide mowing and string trimming services across 92 acres, which staff are estimating to spend \$68,677 this year.

President Ruttenberg would like to know where Prairie Wolf Slough is located.

Director Voss reported that Prairie Wolf Slough is located on the south side of Rt. 22., west of Ridge Rd., with a path extending to the backside of Deerfield High School.

Commissioner Bernstein would like to know if the property is located in Highland Park.

Director Voss reported that the property is not located in Highland Park, however, the intergovernmental agreement between the Lake County Forest Preserve, School District 113, and the Park District requires the District to provide such services to this site.

Commissioner Bernstein reported that it is the consensus of the Finance Committee to recommend to the Park Board of Commissioners to renew the contract with V3 for Seed Installation, Monitoring, and Management at the Preserve of Highland Park, a new agreement for landscaping services, and renew the agreement for turf maintenance.

Golf Learning Center Parking Lot and Sidewalk Proposals

Director Smith reported that the Park District is looking to hire an engineering firm so that the District can gather construction documents, bid out the project, and schedule construction services in the fall.

Project Scope

The scope of this project is to not only repair the parking lot at the Golf Learning Center, but to improve connectivity so that pedestrians may travel from the Skokie River Woods to the Golf Learning Center and into the Preserve of Highland Park. However, Director Smith reported that portions of these repairs are being completed through the Skokie River Woods project instead of the Golf Learning Center project. The Golf Learning Center project includes resurfacing the parking lot, reconfiguring the upper parking lot to improve circulation, reconfiguring the ingress and egress off Route 41 to improve traffic flow and safety, gathering permits from the Illinois Department of Transportation, provide a regrading plan to address stormwater and ADA compliance, along with the installation of sidewalk so that pedestrians may safely travel from the Preserve of Highland Park to the driving range and mini-golf course. Whereas the Skokie River Woods project will resurface the path connecting the Skokie River Woods trail to the dome, along with the installation of an additional sidewalk, so that pedestrians can safely travel from the Skokie River Woods to the lower parking lot of the Golf Learning Center. Both projects will provide a complete connection of sidewalk so that pedestrians can safely travel from the Skokie River Woods to the Golf Learning Center and into the Preserve of Highland Park. Staff are looking to enter into an engineering proposal and are recommending Dan Creany and Company, which is an engineering firm that the Park District has worked with on several occasions and their proposal came in under budget.

Proposal

Director Smith reported that the proposal from Dan Creany and Company includes a topographic survey, site planning, geotechnical testing to determine how much asphalt is needed, a pavement report and parking lot improvement plan, permitting, bidding, and construction for a total proposal cost of \$21,400. Director Smith reported that the estimated construction costs are \$275,000, so the estimated total project cost is \$296,400, which the Park District budgeted \$320,000 for. Director Smith reminded the Finance Committee that the City of Highland Park will reimburse 50% of the project related to the lot 3 agreement by 2024.

Timeline

Director Smith reported that staff is currently working on acquiring engineering and construction documents, bidding should begin in June, with construction beginning in September.

Commissioner Bernstein reported that he feels the proposal from Dan Creany and Company is fair.

President Ruttenberg would like to know if staff feels there is any reason to extend the sidewalk so that it provides direct access to the dome.

Director Smith reported that staff can explore the possibility through the Skokie River Woods Project.

President Ruttenberg would like to know if the City of Highland Park must approve construction.

Director Smith reported that the City of Highland Park is aware of the project scope, however, he will review the agreement to determine whether the City of Highland Park has to approve the project before construction.

Commissioner Bernstein would like to know what type of material will be used for the sidewalk.

Director Smith reported most likely asphalt; however, staff are exploring green options.

Commissioner Bernstein would like to know if staff intends to plow the sidewalk.

Director Voss reported that staff can use the walk behind snowblower to plow the sidewalk.

Commissioner Bernstein is hoping that the connectivity improvements will encourage people to use the parking lot by the driving range and overflow parking.

President Ruttenberg would like to know if the sidewalk will be illuminated so people can safely travel in the evening from the lower parking lot to the dome.

Director Voss reported that there are lights along the south side of the drive, however, staff can investigate adding a pole for more illumination when traveling from the lower parking lot to the dome.

President Ruttenberg requested sharing creative ideas with our Illinois legislators and would like to know if staff spoke with Target regarding the project.

Director Smith reported that he shared the proposal with Target, however, he is waiting to hear back.

Commissioner Bernstein reported that it is the consensus of the Finance Committee to recommend to the Park Board of Commissioners to enter into an agreement with Dan Creany and Company for the proposed repairs at the Golf Learning Center.

Other Business

Director Peters reported that the next Finance Committee meetings are Thursday, March 4 and Thursday, March 18 at 4:00 p.m.

The meeting adjourned at 5:35 p.m.