

MINUTES OF A FINANCE COMMITTEE MEETING OF THE BOARD OF PARK COMMISSIONERS OF THE PARK DISTRICT OF HIGHLAND PARK HELD ON WEDNESDAY, JUNE 14, 2021, 4:02 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, Commissioner Freeman, President Ruttenberg

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

Guest Speaker: None

Public Comment for Items on the Agenda

None

May 20, 2021, Finance Committee Meeting minutes were approved.

Sunset Woods Playground Equipment

Director Smith provided a brief overview of the equipment being purchased for the playground and the purchasing timeline. He shared renderings of and reminded liaisons that the Park District is purchasing a net climber, a rocket tower play structure, embankment slides and pip spheres, glide rails, a sun spinner, and tri-runner, along with ADA and belt swings for the 5-12 age play area and sand play tables, log steppers and vine climbers, an acorn play structure, talk tubes, and ADA and tot swings for the 2-5 age play area.

Four of the main play pieces, which include the rocket tower play structure, the acorn play structure, the sun spinner, and pour-in-place spheres, have a longer lead time, so staff will be requesting approval for purchase at the June 22 Regular Board Meeting. If approved, staff will purchase these pieces the following day. All these costs fall in line with the current budget, however, should the Park Board of Commissioners decline the request the cost to purchase the rocket tower play structure will increase from \$245,000 to \$260,000.

As for a project timeline, Director Smith reported that five bids will be issued on June 17, staff will be requesting approval from the Park Board of Commissioners at the June 22 Regular Board Meeting for the four-play pieces with longer lead times, and the bid opening for the remaining play pieces will be on July 8 which staff will request purchasing approval from the Park Board at the July 27 Regular Board Meeting. Staff anticipates construction to begin on August 16 with a target completion for the end of this year or early spring of 2022, weather depending.

Staff received consensus from the Finance Committee liaisons to request approval from the Park Board of Commissioners at the July 22 Regular Board Meeting for the purchase of the four play pieces with longer lead times.

Districtwide Asphalt Bid

Director Smith reported that staff received one bid from US Tennis Court Construction and will seek approval from the Park Board of Commissioners at the June 22 Regular Board Meeting. Unlike previous years, this project strictly focuses on re-coloring, so staff were not surprised by the number of bids received. Overall, the project includes the recoloring of outdoor courts around the Deer Creek Racquet Club, outdoor basketball courts at West Ridge Center, and the outdoor tennis courts at Sunset Woods, Fink, and Woodridge Parks. Staff included painting pickleball lines along some of the tennis courts and recoloring safety village as alternate items. The total budget for this project is \$130,000, and staff are pleased to report that the bid and alternate items came in at \$82,600 so staff are recommending approval from the Park Board of Commissioners for the bid and alternate items. If approved, the project would begin in late July and should be completed in September.

Staff received consensus from the Finance Committee liaisons to request approval from the Park Board of Commissioners at the July 22 Regular Board Meeting to award US Tennis Court Construction the contract including the alternate items.

Park Avenue Funding Model

Executive Director Romes reported that the Park Avenue Working Group, which is composed of Park District staff, City Officials, and members of the North Shore Yacht Club, have been meeting for the past two years to find a long-term solution for the repair or replacement of the barge. Prior to the concrete boat ramp failing, the group reviewed several solutions provided by SmithGroup, and agreed that Concept 7, the Rubble Breakwater with Pre-Cast Walkway, would provide the most affordable and sustainable long-term solution. As a result, staff developed a draft concept funding model identifying how this solution would be funded.

Commissioner Bernstein reported that Concept 7, while agreed upon by the group, was never approved by the Park Board of Commissioners. Furthermore, the concept would only be approved if there was evidence of funding to support the project.

Executive Director Rome's supported Commissioners Bernstein, reporting that the Park Board of Commissioners never approved Concept 7, however, of the twelve solutions presented by SmithGroup, this solution was the most economical and addressed all the group's needs. With an agreed-upon solution staff developed this funding model concept, however, the model was never presented to the Park Board due to the pandemic. Since then, material costs have increased and the concrete boat ramp failed, so the total estimated project costs increased from \$1 million to \$1.5 million, which includes the repair or replacement of the boat ramp in addition to the barge.

The funding model was developed to create a plan for the barge replacement, which is consistent with the Park District financial policies, the vision of the working group, and address long-term sustainability for boat access at Park Avenue. Furthermore, the funding model needs to be practical, realistic, and fiscally responsible not just for the replacement of the barge, but for the long-term expenses outlined in the Park Avenue Master Plan.

The funding model is based on a \$1.5 million project, and it assumes the Park District will be awarded a \$200,000 boat access grant. The grant application is due in August, and staff anticipates the funds to be awarded in February of 2022. The model is based on a public and private partnership, in which the Park District (public) would be responsible for funding 50% of the initial costs and the remaining 50% would be funded by private users over a 10-year period. This assumes that the Park District would be willing and able to approve \$650,000 to be budgeted for this project, whereas the remaining 50% would be supported by private funding, however, the Park District will not begin construction until 25%, \$325,000, of private funds, are raised. This ensures long-term physical support for capital repair and replacement of the entire site.

Revenue Sources:

The four main sources of revenue are launch and storage user fees, boatominium packages, fees from the North Shore Yacht Club, grants, donations, and alike entities. All these fees are modeled 30 years out to ensure there is adequate funding for maintenance and replacement at the site.

1. User Fees:

Staff will recommend the current launch and storage fees increase, User fees will increase, so that they align with market value while not exceeding non-resident fees. Furthermore, those fees will increase 4% over a 10year period. After 10 years the \$1.5 million for the project will be achieved.

2. Boatominium Packages:

Boatomium packages are for those interested in storing their vessels. It is a \$10,000 initial cost, however, the rate of their annual fee will not increase, so there is a return on their investment after 10 years. Currently, the Winnetka Park District requires users to pay a \$10,000 fee, so this proposed cost aligns with neighboring Districts.

3. Fees for the North Shore Yacht Club

The North Shore Yacht will have to contribute \$10,000 a year over a 10-year period.

4. Fundraising

The Park District is applying for grants and in discussions with the City of Highland Park regarding contributions and donations.

Commissioner Freeman would like to know what the mechanism is for approving the funding model since there needs to be a commitment and buy-in from users.

Executive Director Romes reported that the engineering contract for Concept 7, the Rubble Breakwater with Pre-Cast Walkway, would need to be approved so that SmithGroup can gather permits and develop construction documents. In the meantime, the Park District needs to review our 5-year capital plan and incorporate this project into that funding model. Additionally, the Park District and the City of Highland Park need to come to terms with the language in the lease. Once the lease is approved, the Park District can apply for the boat access grant. Even after all these tasks are completed, the Park District would not recommend moving forward with construction until spring of 2022, which gives private parties time to gather their required funds (50%).

President Ruttenberg would like to know what the total estimated costs would be for Park Avenue if you include the site master plan expenses.

Executive Director Romes reported that staff should have an opinion of costs from Lakota Group for the site master plan in the next few weeks. Staff will discuss the funding associated with the site master plan along with the funding model for the barge and boat ramp at the next Lakefront Committee Meeting. At the July Finance Committee Meeting staff will present the 5-Year Capital Plan and the 5-Year Funding Model for the District. However, a decision needs to be made by the Park Board of Commissioners in August, so that the District can apply for the boat access grant and stay on schedule with the engineering.

President Ruttenberg is concerned the boating community will not be able to contribute their required amount.

Executive Director Romes reported that the funding model will be presented to the Park Avenue Working Group on June 23. Additionally, the boating community intends to start a foundation to raise funds.

Commissioner Bernstein would like to know the timetable for the presentation of the updated 5-Year Capital Plan.

Executive Director Romes reported that the updated 5-Year Capital Plan will be presented at the July 20 Finance Committee Meeting as staff is still awaiting data from consultants. The 5-Year Capital Plan includes GreenPrint and Master Plan projects.

Commissioner Bernstein would like to know when the Park Board needs to decide whether or not to approve the preliminary engineering documents for the Park Avenue boat launch and wave protection replacement project.

Executive Director Romes reported that staff is going to seek approval from the Park Board at the June 22 Regular Board Meeting.

Commissioner Bernstein would like to know if the \$45,000 for the preliminary engineering documents is included in the estimated total project costs of \$1.5 million.

Executive Director Romes reported that the \$45,000 is included in the estimated total project costs of \$1.5 million.

Commissioner Bernstein feels it is problematic to spend \$45,000 without a presentation of the 5-year Capital Plan and the 5-Year Funding Model. He is not comfortable asking the boating community to contribute to the project without knowing the Park District has the means and ability to afford their responsibility of \$650,000.

Director Smith provided a brief overview of the project phases. He reported that the first phase was data collection and cost the District \$19,000. The second phase will provide the District with preliminary engineering documents for \$44,000. If the Park Board approves the second phase, the District will receive an updated opinion of probable costs, SmithGroup can begin permitting, and the District can apply for grant opportunities. The third phase will provide the District with final engineering and bidding documents, and is estimated at \$40,000. The final phase provides the District with assistance throughout the bidding process and is estimated at \$10,000.

Commissioner Bernstein would make himself available if staff scheduled a Special meeting prior to July 20 to discuss finances related to the 5-Year Capital Plan and 5-Year Funding Model.

Commissioner Bernstein and President Ruttenberg would like to know if the District could revoke their grant application if the boating community is unable to contribute their required amount in funds.

Executive Director Romes reported that the District would have to revoke the application by the fall of this year.

Commissioner Bernstein requested staff share this presentation with the Park Board of Commissioners at the June 22 Regular Board Meeting when requesting approval of the preliminary engineering documents for the Park Avenue boat launch and wave protection replacement project.

President Ruttenberg and Commissioner Freeman agreed with Commissioner Bernstein's recommendation, as they would like the Park Board of Commissioners to vote on the request from staff.

President Ruttenberg requested changing the terms in the draft lease agreement so that it asks for a 100-year commitment from the City of Highland Park.

Other Business

Director Peters reported that the next Finance Committee meeting is Tuesday, July 20.

President Ruttenberg would like to know when the Park Board of Commissioners will receive an update related to the project at Centennial Ice Arena.

Executive Director Romes reported that staff will provide an update at the June 24 Facility Committee Meeting.

The meeting adjourned at 5:19 p.m.