

MINUTES OF A THE LAKEFRONT COMMITTEE MEETING OF THE PARK DISTRICT OF HIGHLAND PARK HELD ON NOVEMBER 4, 2021, 4:01 PM. PURSUANT TO SECTION 7(e) OF THE OPEN MEETINGS ACT, THE PRESIDENT OF THE BOARD OF PARK COMMISSIONERS HAS MADE A FINDING THAT IT IS NOT PRACTICAL OR PRUDENT TO HOLD IN PERSON MEETINGS BECAUSE OF THE COVID-19 PUBLIC HEALTH EMERGENCY. NEITHER THE ELECTED OFFICIALS NOR THE PUBLIC WILL BE ALLOWED TO ATTEND REGULAR OR COMMITTEE MEETINGS IN PERSON BUT WILL PARTICIPATE VIRTUALLY. LINKS TO THE VIRTUAL MEETING CAN BE FOUND ON THE PARK DISTRICT WEBSITE [HTTPS://WWW.PDHP.ORG/PARK-BOARD/MEETINGS/](https://www.pdhp.org/park-board/meetings/)

Present: Commissioner Bernstein, Commissioner Kaplan, Commissioner Freeman, Vice President Grossberg, President Ruttenberg

Also, Present: Executive Director Romes; Director Smith, Director Carr; Director Peters; Assistant Director Murrin; Manager Schwartz; Manager Johnson; Coordinator Hejnowski

Guest Speaker: Mark Wagstaff, SmithGroup Coastal Engineer

Additions to the Agenda

None.

Approval of the Lakefront Committee Meeting Minutes from September 9, 2021

September 9, 2021, Lakefront Committee Meeting minutes were approved.

Public Comment

Laura Knapp

700 College Place, Highland Park

The NSYC and board of directors very enthusiastically support your effort to provide a temporary fix for the boat launch. We think this is the right move to show the citizens and Lake Michigan boaters that the Park District can move forward with repairing boating activities at the site. Getting a boat launch active again at Park Avenue will allow the NSYC to quickly launch safety boats for all of our sailing kayak, and SUP classes. Additionally, it will provide safety boats for our two invitational events, the Summers End Regatta Sailboat Race and the Beach-to-Beach Paddle Race.

In 2021 we had to ask people to provide private boats for safety vessels, and those people had to launch out of Winnetka or Lake Forest. Boaters would like the opportunity to launch closer to home. Furthermore, it allows the Park District to receive revenue that is dearly needed while showing boaters that the Park District is committed to providing access to Lake Michigan.

Boating is a healthy outdoor activity and is a great way for the community to engage with one another. The NSYC is looking forward to future repairs and improvements.

Steve Knapp

700 College Place, Highland Park

I am speaking on behalf of the power boaters, stating that the boaters this this is fantastic. Everybody in power boating community is excited. He thanked the Park District for looking into a temporary repair for the boat ramp. He requested that this information be shared sooner rather than later, as it will significantly help with retention and recruitment of power boaters to Park Avenue. The power boaters will share the message; however, they would like the Park District to share a message.

Garrett Flynn

365 N. Deere Park Drive E, Highland Park

He thanked the Park District for their tenacity on this, especially since the original engineer with Cardinal fell through. Having a plan and a commitment from the Park District will help raise the confidence of the boating community. This will also help to keep people from purchasing launch or mooring permits elsewhere. Anything the power boating community can do to help, please let us know. We are willing to help wherever we can.

Councilwoman Lidawer

1707 St. Johns Avenue, Highland Park

On behalf of the City of Highland Park, if there is anything we can do to help spread the message we are willing to do so.

Vice President Grossberg thanked Councilwoman Lidawer, reporting that the Park District appreciates the City's support and advocacy.

Park Avenue Boating Facility Update

Boat Ramp Temporary Repair

Director Smith shared aerial images of the boat ramp to showcase the current conditions and highlight the areas which will receive temporary repairs.

As a reminder, when the failure of the boat ramp occurred, the Park District immediately began exploring options for a temporary repair. After contacting several firms, with no luck, staff found a firm based out of Northbrook, WJE, willing to conduct the repair. He is pleased to report that the Park District has worked with WJE in the past. The Park District requested WJE to look at the ramp and provide temporary repair drawings so that the boat ramp could be utilized next year. In conjunction with the temporary boat ramp repair, the repair of the breakwater and boat ramp by SmithGroup is scheduled to begin in the fall of 2022.

WJE provided the Park District with a proposal and construction documents for the temporary repair of the boat ramp. The temporary repair provides safe launching from the start of the season through Labor Day, which aligns with the start of construction for the long-term solution for the breakwater and boat ramp. As for the temporary repairs, WJE is recommending three items be addressed, which include filling voids with concrete along the ramp, repaving the asphalt surface of the ramp before the water's edge, and pouring a new concrete slab over the submerged and failed section of the ramp. The current estimate from WJE is between \$30,000 - \$35,000. As a result, staff would like to share these plans with contractors that the Park District has worked with in the past to get a better understanding of the cost and see if the proposal is accurate. If the cost does not change, the project will need to be bid out.

If the Board of Park Commissioners decides to move forward with this temporary repair, staff would want to have the repairs completed before the start of the 2022 boating season. Construction could begin this December or in March of 2022.

Commissioner Bernstein would like to know how long construction is expected to take.

Director Smith reported that construction will take 2 weeks.

Commissioner Bernstein would like to know the lifespan of the temporary repair.

Director Smith reported that the temporary repair has at least a one-year lifespan.

Commissioner Bernstein would like a cost-benefit revenue analysis reported to the Board of Park Commissioners.

Director Smith reported that the goal is to present a cost-benefit analysis at the November 16 Regular Board Meeting.

Commissioner Freeman is pleased to hear boats will be able to launch next summer. She commended staff for finding a firm that could conduct a temporary repair for the boat launch.

President Rutenberg would like to know if the Park District will need to obtain permits to complete this project.

Director Smith reported that the Park District will not need to obtain permits and he confirmed this with the US Army Corp, IDNR, and IEPA.

President Ruttenberg would like to know how the additional revetment and concrete for the temporary repair will negatively impact the long-term solution which SmithGroup will construct in the fall of 2022.

Director Smith reported that staff has yet to share the proposal from WJE with SmithGroup, however, staff will share the proposal so long as they receive consent from the Committee to proceed with the project.

Staff received consensus from Commissioner Kaplan, Commissioner Freeman, Vice President Grossberg, and President Ruttenberg to get more accurate costs from contracts and share the construction drawings from WJE with SmithGroup.

Commissioner Bernstein opposed the recommendation from the rest of the Board of Park Commissioners stating that he would like to see a benefit analysis.

Vice President Grossberg requested that staff present the benefit analysis at the November 16 Regular Board Meeting.

South Storage Pad Repair

Director Smith shared an aerial image of the south end of the property showcasing the damages to the storage pad and bluff erosion. He reported that much of this area has eroded due to the high lake levels causing the current failure along the storage pad. Staff reached out to several engineering firms for a

repair proposal. Staff requested that the proposal include a revetment and solution for the storage pad. Additionally, firms creating proposals must pay close attention to the North Shore Water Reclamation District's sewer line which runs through the area.

Staff are looking for an engineering firm to develop construction documents so that the project could be bid out and construction could begin in the spring of 2022. Staff received three proposals from V3 Consulting, SmithGroup, and AECOM. AECOM provided the lowest proposal for \$32,500. AECOM has worked with the District in the past, and staff was pleased with their references, one being the City of Highland Park. As a result, staff are seeking consensus from the Lakefront Committee to place the proposal on the consent agenda at the November 16 Regular Board Meeting. If consensus is received, staff will work closely with AECOM, the City, and the Northshore Water Reclamation District to develop construction documents. The goal is to release the bid in March of 2022 so construction can begin in April of 2022.

Vice President Grossberg is pleased to hear that staff and the City of Highland Park have worked with AECOM.

President Ruttenberg would like to know if staff have ballpark costs for construction.

Director Smith reported that staff has budgeted \$250,000 in 2022 for construction costs, however, staff would need to explore options for design to get the probable construction costs.

President Ruttenberg would like to know what would happen along the southern portion of the site if nothing were done.

Director Smith reported that the area would be unusable, which is lost revenue.

President Ruttenberg feels the cost-benefit is necessary, to see if the revenue from the south storage pad would support construction costs.

Commissioner Freeman would like to know if the repair costs will increase if the project is deferred.

Director Smith reported the cost for repairs will increase if the project is deferred.

Commissioner Freeman would like the repairs to commence.

Commissioner Kaplan would like staff to present the cost-benefit analysis before deciding.

Commissioner Bernstein would like to know how this project would be impacted if the long-term repairs for the breakwater and boat ramp are voted against.

Director Smith reported that so long as the current barge is in place, the repairs for the southern portion of the site will not be impacted if the Board of Park Commissioners vetoes the long-term repairs for the breakwater and boat ramp.

Commissioner Bernstein would like to know if staff has discussed the proposed repairs with the property owners at the south end of the property line.

Director Smith reported that staff has yet to consult with the property owners, however, they will be included in the proposal from AECOM if approved. Additionally, in a month or two, staff should have an understanding of what the preliminary designs are looking like so that AECOM could provide a progress report to the Board of Park Commissioners.

Commissioner Bernstein would like to better understand the scope of the project and the exact areas being repaired.

The scope of AECOM's repairs will extend beyond the District's property line to address the bluff erosion.

Vice President Grossberg would like to know if there are concerns to the west of the bluff.

Director Smith reported that the western edge of the storage pad and the bluff are not experiencing failure or erosion, nor is runoff coming from the west causing added failure along the southern portion of the site.

Commissioner Freeman would like a better understanding of what the cost-benefit analysis looks like, so that staff has a clear understanding of what they are presenting at the November 16 Regular Board Meeting.

Commissioner Bernstein reported that his focus is to protect the toe of the bluff vs. revenue being derived from sailboat storage.

President Ruttenberg agreed with Commissioner Bernstein. He does not want the improvement made for the purpose of boat storage, instead, the District should focus on the bluff and protecting the toe.

Director Smith reported that the reason for bringing on an engineer is so that they can develop protective solutions for the property. Additionally, staff are asking that the selected engineer present different options and provide a recommendation to the Board of Park Commissioners.

President Ruttenberg would like to know how much of the \$32,000 proposal would need to be spent to reach a recommendation.

Executive Director Romes reported that staff are seeking consensus from the Lakefront Committee to provide a follow-up presentation at the November 16 Regular Board Meeting, at which time staff will also be requesting approval of the proposal from AECOM.

Vice President Grossberg would like to know if there is any cost if the Lakefront Committee were to provide consensus.

Executive Director Romes reported there is no cost until the proposal is formally approved by the Board of Park Commissioners at the November 16 Regular Board Meeting.

Staff received consensus from the Lakefront Committee to place the proposal from AECOM under unfinished business at the November 16 Regular Board Meeting.

Boater Loyalty Program

Executive Director Romes reported that the funding objectives are to Create a Breakwater and Ramp Replacement Plan that is consistent with the Park District’s Mission and Financial Policies, the Park Avenue Working Group’s Vision, and addresses long term sustainability at Park Avenue and to Create a Funding Model that is practical, realistic, and fiscally responsible for both the short-term replacement of the breakwater and for long-term future improvements supported by the development of a Park Avenue Site Master Plan.

Anticipated Costs:

1. Breakwater/Ramp (Sheet Pile Alternative)	\$2,500,000
2. Phase 1 Improvements (North PL/Boardwalk)	\$1,100,000
3. <u>South Parking Pad Repairs (Park Avenue Site Plan)</u>	<u>\$ 200,000</u>
	\$3,800,000

Anticipated Funding:

1. Debt Issuance Supported by User Fees (Breakwater/Ramp)	\$2,000,000
2. Private Donations/Other (Breakwater Ramp)	\$ 300,000
3. IDNR Boat Access Grant (Breakwater/Ramp)	\$ 200,000
4. IDNR OSLAD grant (Park Avenue Site Plan)	\$ 400,000
5. <u>PDHP Capital Fund Balance (Park Avenue Site Plan)</u>	<u>\$ 900,000</u>
	\$3,800,000

The Park District should find out if winter or spring of 2022 if grant funds are awarded.

As for the Debt Issuance supported by user fees for the breakwater and boat ramp, staff has identified two objectives, to validate long-term community need and ensure long-term use of the site and to ensure sustainable revenue sources.

When looking at Seasonal User Fees, Executive Director Romes reported that the plan is to conduct a Market Adjustment in 2022 for boat storage and launch. It’s \$1,000 to store, \$650 to launch, and \$1650 to store and launch, which is well below market cost. Additionally, there is a 10% launch fee to support the boat ramp improvement costs for each year for the next 20 years. Lastly, fees will increase by 4% annually.

As for the Loyalty” Program, it requires boaters to engage in a long-term commitment to Store and/or Launch. As a result, staff has modeled a five and ten-year model, which provides a reduced or fixed rate throughout the term of the Agreement. This also gives the staff assurance that the Park District will have the revenue to support the costs. This requires an upfront fee, \$500 for a 5-year commitment and \$1,000 for a 10-year commitment along with a boat ramp improvement fee, which is 10% of the launch rate and it will be baked into the 2022 rate. As a result, boaters cannot walk away from their commitment because there is still an annual seasonal fee.

Director Carr provided a market comparison of the seasonal user fees, reporting that the proposed fees align with neighboring north shore community fees, most comparable to Lake Forest.

When comparing the loyalty program fees to seasonal fees, Director Carr reported that it’s a \$460 increase for residents and a \$240 increase for non-residents. He shared a graph comparing the launch only, storage

and launch for powerboats, and storage and launch for personal watercraft. Overall, over the five-year period does not provide a financial gain to loyalty program users vs. the ten-year commitment.

Regarding loyalty program targets, Director Carr reported that the Park District needs 15 users under a five-year commitment for powerboat and launch, 5 users under a ten-year commitment for powerboat and launch, and 3 users under a five-year commitment for personal watercraft and launch. Sales for the loyalty program begins December 1, the commitment deadline is January 31, 2022, the seasonal users' fees will be due March 30, 2022, resident loyalty program registration for remaining spaces will be due March 31, 2022, and the non-resident non-loyalty program registration for remaining spaces will be due April 7, 2022. Overall, the budget summary for the Park Avenue Boating Facility indicates the 2022 expenses will be \$260,751 vs. \$268,507 in revenue from fees and charges, storage, NSYC, and building rentals, resulting in a \$7,756 surplus.

As for a timeline, Executive Director Romes reported that staff's goal is to finalize the loyalty program literature/agreement this month, release the loyalty program this December, release the breakwater and boat ramp bids in January 2022 while also reaching the fundraising goal and loyalty program commitments. From there, staff hopes to approve the breakwater and boat ramp bids in February of 2022 and hopes to receive grant award announcements in the spring of 2022. Finally, construction for the breakwater and boat ramp will begin in September of 2022, with a grand opening of the new structures in the spring of 2023.

President Ruttenberg would like to know what happens if someone agrees to a ten-year commitment and stops paying after 2 years.

Executive Director Romes reported that users can cancel their commitments at any time, so their spot will become available. Staff can bake in a penalty; however, a user always has the ability to cancel.

President Ruttenberg would like to increase the upfront cost, to guarantee more money to the District since commitments can be canceled at any time.

Commissioner Freeman would like to know if the loyalty program is transferable.

Director Carr reported that the program is not transferable since the upfront commitment is low. This allows the new user to come in at the market rate.

Commissioner Bernstein would like to know if the goal of the loyalty program, is to help fund the breakwater and boat ramp repairs or to create a community buy in ensuring usage at the site.

Executive Director Romes reported that the goal of the loyalty program is to address both, help fund the breakwater and boat ramp repairs, or to create a community buy-in ensuring usage at the site.

Commissioner Bernstein would like to know if staff has done a cost analysis to see the benefits to the District over 10 years.

Executive Director Romes reported that the loyalty program has been modeled out for 20 years which based on that model, revenue would exceed the dollars needed to pay off the \$2million debt issuance plus interest, resulting in the \$7,756 surplus.

Vice President Grossberg would like to know how this model has changed to reflect the will of the boaters from the time it was first presented.

Executive Director Romes reported that the upfront fee was originally much higher along with market adjustments. Staff held a series of meetings with the Park Avenue Working Group and private discussions with boaters, who feel the updated model provides sustainable revenue and use of the site while addressing the objectives.

Vice President Grossberg would like to know if FEMA could provide funds to support the south pad repairs.

Director Smith reported that staff met with IEMA and FEMA, and it was determined that these repairs were not applicable for those grants.

Executive Director Romes reported that staff also wrote letters to Lake County to try and get funds from the American Rescue Act, however, staff has yet to receive responses.

President Ruttenberg wanted everyone to be aware that the Board of Park Commissioners has yet to approve the \$2.5 million for the breakwater and boat ramp.

Commissioner Bernstein requested that this item be added to a November 9 Workshop Meeting or host a Special Meeting so further discussion can commence.

Adjournment

The meeting adjourned at 5:47 p.m.