# PARK DISTRICT OF HIGHLAND PARK BOARD OF PARK COMMISSIONERS MINUTES OF REGULAR MEETING OCTOBER 26, 2021

Minutes of the Regular Board Meeting of the Park District of Highland Park Held on October 26, 2021. 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 <a href="https://www.pdhp.org/park-board/meetings/">https://www.pdhp.org/park-board/meetings/</a>

The meeting was called to order at 6:01 p.m. by President Ruttenberg.

### **ROLL CALL**

**Present:** Commissioner Bernstein, Commissioner Kaplan, Commissioner Freeman,

President Ruttenberg

**Absent:** Vice President Grossberg

**Staff Present:** Executive Director Romes; Director Smith, Director Voss, Director Dunn,

Director Peters, Director Gogola, Director Carr; Assistant Director Maliszewski; Assistant Director Murrin; General Manager/Superintendent of Golf Operations

Ochs; Manager Johnson

**Guest Speakers:** Mark Wagstaff, SmithGroup Coastal Engineer;

Rob Wright, Coastal Engineer SmithGroup

### **ADDITIONS TO THE AGENDA**

President Ruttenberg requested moving Unfinished Business before the Financial Forecasts Treasure's Report since there is a guest presenter. The Park Board of Commissioners approved president Ruttenberg request.

### **CONSENT AGENDA**

A motion was made by Commissioner Bernstein, seconded by Commissioner Freeman to approve items the Minutes from the September 22, 2021 Special Meeting, the Minutes from the September 28, 2021 Regular Board Meeting, the 2021 Park Tree Removals Bid, Resolution 2021-07: Authorizing a Contract for Procurement of the Recreation Center of Highland Park Cycle Equipment and Program, the Concession and License Agreement for the Highland Park Field House (Lot 3), and Bills and Payroll in the amount of \$1,614,474.68.

#### **Roll Call:**

Aye: Commissioner Bernstein, Commissioner Kaplan, Commissioner Freeman, President

Ruttenberg

Nay: None

**Absent:** Vice President Grossberg

**Abstain:** None

**Motion Carried** 

#### **UNFINISHED BUSINESS**

### A. Park Avenue Wave Protection and Breakwater Replacement Project Update

Director Smith reported that the Park Board of Commissioners awarded a contract to SmithGroup for Phase 3: Final Engineering and Permitting for the Park Avenue Wave Protection and Breakwater Replacement Project at the September 28 Regular Board Meeting. SmithGroup has completed Task 3.1 Optimize Breakwater and Boat Ramp Layout, which is the first step before the Park District moves into the detailed designs. Director Smith introduced Mark Wagstaff and Rob Wright, Coastal Engineers from SmithGroup, to provide a summary and overview of their recent work.

Mr. Wagstaff reported that this November SmithGroup hopes to complete task 3.2 Design Development and Task 3.3 Permit Applications, so that final construction documents can be developed and presented upon in January of 2022, which would complete the final task of this contract.

As a reminder, the preliminary cost of opinion was shared last month for the Caisson Alternative and the Sheet Pile Alternative.

# 1. Caisson Alternative (cost of opinion \$2.8 million, with 25% contingency)

This was taken from the Precast Concrete Caisson on Rubblemound Breakwater proposed in 2018. The alternative includes a parapet wall to reduce overtopping, widening the crest for added stability, and raising the structure. This is a long-term solution with a 40ft wide ramp with two floating docks and a walkway that is accessible to the public.

### 2. Cellular Sheet Pile Alternative (cost of opinion \$2.9 million, with 25% contingency).

This is a long-term solution with a 40ft wide ramp with two floating docks and a walkway that is accessible to the public.

Since both options were comparable in costs, it was recommended that SmithGroup optimize the Cellular Sheet Pile Alternative and find creative ways to reduce the overall cost.

When exploring optimization considerations, SmithGroup found that the water plant resides at a higher elevation than the boat ramp, so the height of the breakwater will never prevent overtopping during storms. As a result, the Cellular Sheet Pile Alternative has been refined to include a parapet wall along the lakeside to help mitigate overtopping, the width of the structure has increased for added stability, am optimal pedestrian walking surface, and allows for land-based construction to reduce costs, and there has been a reduction in scour stone to allow for greater existing material reuse which will further reduce the project costs. Overall, the costs for the Cellular Sheet Pile Alternative have been reduced to \$2.7 million, a \$120,000 savings.

As for the next steps, Mr. Wagstaff reported that SmithGroup will prepare structural details for the Cellular Sheet Pile Alternative and Boat Ramp, the parapet wall, railings, docks, cleats, concrete, and other accessories along with the permit application and outline specifications so that final construction documents can be presented in January of 2022.

Commissioner Bernstein would like to confirm that regardless of the structure placed within the existing breakwater, overtopping will always be an issue.

Mr. Wagstaff reported that since the water plant resides at a higher elevation, that overtopping will occur on occasions that would prevent the public from using the boat ramp.

Commissioner Bernstein would like to confirm that the overtopping is not due to the barge location. Instead, overtopping is occurring further north and flowing south due to the change in elevation at the site.

Mr. Wagstaff reported that overtopping will occur on some occasions due to elevation changes, regardless of the breakwater design.

Commissioner Bernstein would like to know how SmithGroup plans to protect the boat ramp.

Mr. Wagstaff reported that the new breakwater and parapet wall will protect the boat ramp from much of the wave energy, so any overtopping that occurs will not damage the ramp.

President Ruttenberg would like to know the difference in height between the floating dock and the top of the pedestrian walking surface on the breakwater.

Mr. Wagstaff reported that the pedestrian walking surface will be around 2-3 ft higher than the floating dock.

Commissioner Bernstein would like to know if the residential properties to the north will be negatively impacted by widening the structure of the breakwater.

Mr. Wagstaff reported that the new barge is being placed within the existing footprint of the current one, so there will not be any negative impacts to the residential properties to the north.

President Ruttenberg would like to know the costs if the Park District were to proceed to the next tasks, 3.2 Design Development, and 3.3 Permit Applications.

Director Smith reported that the Park District is currently under contract to complete all four tasks of final engineering, however, staff are looking for consensus or approval that this is the direction the Park District would like to pursue. If the Park Board of Commissioners provides consensus SmithGroup will prepare structural details for the Cellular Sheet Pile Alternative and Boat Ramp, the parapet wall, railings, docks, cleats, concrete, and other accessories along with the permit application and outline specifications so that final construction documents can be presented in January of 2022.

Executive Director Romes reported that formal approval from the Park Board of Commissioners is not required, instead, staff would like consensus to pursue this direction.

Director Smith reported that the Park Board of Commissioners approved the Park Avenue Boat Launch and Wave Protection Replacement Project Proposal – Final Engineering and Permitting at the September 28 Regular Board Meeting. This proposal includes tasks 3.1 Optimization of the Breakwater and layout, 3.2 Design Development, 3.3 Permit Applications, and 3.4 Final Construction Documents. He can follow up to provide the costs associated with each task vs. the contract total.

Mr. Wagstaff reported that he can follow up with Director Smith listing what has been spent vs. the remaining amount on the approved contract. The total contract amount was \$77,000.

President Ruttenberg is reluctant to approve anything without knowing the amount and the costs associated with the remaining tasks.

Director Smith reported that the Park District is only obligated to pay for completed work if it was decided to stop at any point.

Commissioner Bernstein requested that staff collect those figures so that Executive Director Romes can contact each board member individually tomorrow, so each Board Member can decide if they would like to continue in this direction and complete the remaining tasks on the contract.

The remaining members of the Park Board supported Commissioners Bernstein's request.

President Ruttenberg appreciates the cost reduction and the redesign; however, the Board needs a breakdown, listing what has been spent vs. the remaining amount on the approved contract before giving direction to move forward.

### PUBLIC COMMENT FOR ITEMS ON THE AGENDA

#### Chadd Berkun

### 856 Judson Avenue, Highland Park

The current demolition costs are high, he was wondering if there are alternatives.

Mr. Wagstaff reported that several alternatives were explored, however, the primary reason for the removal is due to the deteriorated condition of the current barge. If staff decided to build over the current barge, it would encroach to the west and narrow the space for the boat launch. This would prevent two-way traffic, and in previous discussions with Park District Staff and the Park Avenue Working Group, the team agreed that the benefits from the wider boat ramp outweighed the demolition costs.

#### FINANCIAL FORECASTS AND TREASURERS REPORT

# Operations (General and Recreation Funds) Budget vs. Actual

Director Peters reported that as of September 30, 2021, staff budgeted \$17 million in operating revenue and she is pleased to report the actual revenue is \$17.6 million, surpassing the budgeted amount. Additionally, the actual expenses are significantly less than the budgeted amount. The actual expenses as of September 30, were \$10.4 million vs. the budgeted \$12.1 million, resulting in a year-to-date net surplus of \$2.2 million. This number is significantly less than anticipated due to a delay in property tax payments. Typically, the District receives a large payment in September, and that payment did not come in until October 22. As a result, those numbers are not baked into this chart. When compared to the 3-year average it's a \$1.1 million year-to-date net surplus.

#### General Fund

As of September 30, 2021, the District's actual revenue was \$4.9 million vs. the budget of \$5.6 million. This is due to the property tax delay since \$700,000 would have been deposited into this fund. Whereas actual expenses are significantly less than the budgeted amount. The actual expenses as of September 30, were \$3.1 million vs. the budgeted \$4.1 million, which contributed to a \$294,401 year-to-date net difference.

#### Recreation Fund

As of September 30, 2021, staff budgeted \$11.4 million in revenue, whereas the actual revenue is significantly higher at \$12.6 million. Likewise, actual expenses are less than the budgeted amount. The actual expenses were \$7.3 million vs. the budgeted \$8 million, resulting in a year-to-date surplus of \$1.9 million. When compared to 2019, pre-covid, the District had a 541,075 year-to-date surplus.

#### Conclusion

Director Peters reported that several programs and services were canceled until mid-January due to COVID-19 mitigation measures. Fortunately, that allowed the Park District to significantly reduce payroll expenses resulting in a \$406,275 savings. This permitted a \$2.2 million surplus above the budgeted year-to-date net revenue. Furthermore, athletics has a \$247,812 surplus, camps have a \$222,507 surplus, tennis has a \$390,545 surplus, golf has a \$718,531 surplus, recreation has a \$201,058 surplus, West Ridge Center has a \$103,478 surplus, Centennial Ice Arena has a \$125,068 surplus, and all cost centers but two are operating at a surplus.

Commissioner Bernstein reported its encouraging to hear that staff's hard work over the last year and a half has paid off, and commended staff for putting the Park District in a favorable financial position.

Director Peters reported that the Park District is at a 95% tax collection rate, and it is anticipated to have a 99% collection rate as of December 31, 2021.

Commissioner Kaplan left the meeting at 6:46 p.m.

APPROVAL OF ORDINANCE 2021-04: AN ORDINANCE PROVIDING FOR THE ISSUE OF NOT TO EXCEED \$22,750,000 GENERAL OBLIGATION (LIMITED TAX) DEBT CERTIFICATES, SERIES 2021, OF THE PARK DISTRICT, EVIDENCING THE RIGHTS TO PAYMENT UNDER INSTALLMENT PURCHASE AGREEMENTS, FOR THE PURPOSE OF PAYING THE COST OF PURCHASING REAL OR PERSONAL PROPERTY, OR BOTH IN AND FOR THE PARK DISTRICT, PROVIDING FOR THE REFUNDING OF CERTAIN OUTSTANDING DEBT CERTIFICATES OF THE PARK DISTRICT AND PROVIDING FOR THE SECURITY FOR AND MEANS OF PAYMENT OF THE CERTIFICATES.

# Refunding Debt Certificates Summary

Director Peters reported that the Park District has two outstanding two debt certificates which staff would like to refund. The 2012 and 2013 certificates are callable on December 15, 2021, for the remaining principal balance of \$5.4 million. By paying those off early, staff will save the District roughly \$250,000 in interest. Since staff are requesting that the refunding occur within 90 days of the call date, it is tax-exempt. When debt certificates are refunded the payment can be amortized differently to create payment flexibility and issue additional debt, so this ordinance proposes that the Park District issues additional debt of \$17 million.

When examining the existing debt certificates (2012 and 2013) which are funded by operations, the District pays \$1.5 million annually, on December 15. In conjunction with the debt certificate payment, the District transfers 60% of the \$1.5 million from the Recreation Fund (a little over \$900,000 at the end of each fiscal year) and 40% from the General Fund (a little over \$600,000 at the end of each fiscal year). When the existing debt certificates are refunded and new certificates are issued, the annual payment will not change, however, the Park District will owe \$1.5 million for the next 10 years.

Additionally, the Park District would like to issue another \$2 million which would be the debt service for the Park Avenue Project. That \$2 million will be amortized in payments over the next 20years. The reason this debt service is separate from the other \$15 million, is this debt service will be paid out of the Park Avenue Cost Center and supported by other sources of revenue such as user fees and grants.

When combined the total debt service owed on December 15 over the next 10 years is \$1.6 million (1.5 million from operations and \$118,750 from the Park Avenue Cost Center). In 2030, the Park District could issue another \$9.1 million in debt certificates, which would have no impact on the District's annual payment on December 15. Lastly, the Park District has a General Obligation Bond financing plan, in which the District will issue \$5.6 million in 2024, \$6 million in 2028, \$5 million in 2031, and an additional \$5 million every 3-4 years thereafter.

### **Draft Timeline of Key Events**

Director Peters reported that if the Park Board approves Ordinance 2021-04 the debt certificates will be sold on October 27 so that the Park District will receive \$17 million as of December 1.

Commissioner Bernstein applauded staff for ushering the District to maintain a triple-a-bond rating. By maintaining a triple-a bond rating the District can borrow money with the lowest possible interest rate. In addition to the bond rating, the country is experiencing historically low-interest rates, which this bond issuance is taking advantage of. It's important to note that the Park District is creating funds to support capital projects, specifically tiers 1-5. Overall, he is excited that the Park District can borrow money without having any impact on the taxpayers.

A motion was made by Commissioner Bernstein, seconded by Commissioner Freeman to approve Ordinance 2021-04: An Ordinance Providing for the Issue of not to Exceed \$22,750,000 General Obligation (Limited Tax) Debt Certificates, Series 2021, of the Park District, Evidencing the Rights to Payment Under Installment Purchase Agreements, for the Purpose of Paying the Cost of Purchasing Real or Personal Property, or Both in and for the Park District, Providing for the Refunding of Certain Outstanding Debt Certificates of the Park District and Providing for the Security for and Means of Payment of the Certificates.

#### **Roll Call:**

Aye: Commissioner Bernstein, Commissioner Freeman, President Ruttenberg

Nay: None

**Absent:** Commissioner Kaplan, Vice President Grossberg

**Abstain:** None

#### **Motion Carried**

Commissioner Bernstein commended the District, as everyone employee played an integral part in this.

#### **NEW BUSINESS**

# A. Draft of the 5-Year Capital Plan

# Capital Plan Prioritization Tier

Director Smith provided a brief summary of the 2022 5-Year Capital Plan. As a reminder, the detailed plan was reviewed at the September 22 and October 6 Finance Committee Meetings.

# Tier 1: Safety/Legal Compliance

Any investment where the primary purpose is to correct a safety hazard or is pursuant to a legal contract, ordinance, or law.

### Tier 2: Critical Repair/Replace Existing Items

A project fits this criterion if it is an existing asset that is in critical condition. An asset is defined as critical if it meets one or more of the following criteria: If not addressed in the proposed year it may pose a safety hazard; If not addressed and fails, it could lead to a larger expense and/or impact programming/recreation.

### Tier 3: Scheduled Replacement

A project fits this criterion if it is an existing asset that is recommended for replacement and has reached its useful life.

### Tier 4: Improve Existing Items

These projects improve built environment, park land, or equipment that staff recommend improvement, but the recommended improvement would have limited or no impact on status quo operations. These projects are proactive in nature and keep the District looking fresh, up to date, or benefit existing recreation offerings.

#### Tier 5: New

Projects that are adding capacity/programming or altering current conditions. Not completing these projects would have no impact on the District status quo.

### Tier 6: Unfunded

Identified projects that do not have confirmed funding. May require alternative funding strategies.

# 5-Year Capital Plan Summary by Tier

Director Smith provided a brief overview in groupings identified by need or urgency.

# Tier 1-3 Projects

In the 2021 approved budget, there is \$5.5 million reserved for tier 1-3 projects. Staff are projecting to spend \$4.1 million from the 2021 capital budget. There is \$11 million budgeted for 2022, \$13.7

million budgeted for 2023, \$9.2 million budgeted for 2024, \$3.1 million budgeted for 2025, and \$2 million budgeted for 2026, for a total of \$39.2 million in tier 1-3 capital projects.

# Tier 4-5 Projects

In the 2021 approved budget, there is \$228,900 reserved for tier 4-5 projects. Staff are projecting to spend \$138,753 from the 2021 capital budget. There is \$523,973 budgeted for 2022, \$983,000 budgeted for 2023, \$755,000 budgeted for 2024, \$1.8 million budgeted for 2025, and \$280,000 budgeted for 2026, for a total of \$4.3 million in tier 4-5 capital projects.

# Tier 1-5 Projects

In the 2021 approved budget, there is \$5.7 million reserved for tier 1-5 projects. Staff are projecting to spend \$4.2 million from the 2021 capital budget. There is \$11.5 million budgeted for 2022, \$14.7 million budgeted for 2023, \$10 million budgeted for 2024, \$4.9 million budgeted for 2025, and \$2.3 million budgeted for 2026, for a total of \$43.6 million in tier 1-5 capital projects.

### Tier 6 Unfunded Projects

Currently, there are \$21.2 million of unfunded capital projects in the 5-Year Capital Plan.

### Total Budget

The total budget with unfunded projects is \$64.8 million.

### 2022 Budget Summary

Director Smith reported that the total budget for 2022 is \$11.5 million and shared a list of projects contributing to those expenses.

#### District Wide/Annual

Staff plans on spending \$135,000. One of the larger projects contributing to this expense is to replace monument and park signs throughout the District.

# **Technology**

Staff plans on spending \$135,473. Much of this will go towards the new website and application.

# Parks Equipment

Staff plans on spending \$476,000 on new mowers and vehicles.

### **Parks**

Staff plans on spending \$1.7 million. Much of this will go towards the bluff restoration project at Millard Park, the pathway reconstruction at Moraine Park, and the playground replacement at Moroney Park.

#### Centennial Ice Arena

Staff plans on spending \$3.1 million for internal renovations which includes the restrooms, locker rooms, lobby, and entrance along with exterior renovations which includes the resurfacing of the parking lot and turn-around.

# Deer Creek Racquet Club

Staff plans on spending \$82,000 for locker room renovations and court conversions.

# Golf Learning Center

Staff plans on spending \$91,000 to replace the monument sign.

#### Heller Nature Center

Staff plans on spending \$180,000 for lobby and interpretive exhibit restorations.

## Hidden Creek AquaPark

Staff plans on spending \$415,500 to replace shade structures, slides, and the pool shell.

# Park Avenue Beach and Boating Facility

Staff plans on spending \$2.2 million to replace the breakwater and boat ramp and on parking lot repairs.

# Recreation Center of Highland Park

Staff plans on spending \$376,000 to replace the pool deck and resurface gym lights.

#### Sunset Valley Golf Club

Staff plans on spending \$881,085 to replace two cart path bridges along with the asphalt cart path.

#### West Ridge Center

Staff plans on spending \$1.5 million to begin engineering and design for the replacement of the current facility.

Commissioner Bernstein is looking forward to the changes scheduled for 2022 and the years to come.

#### **B.** Parks Foundation Update

Executive Director Romes reported that the Parks Foundation applied for a grant with the Highland Park Community Foundation. If awarded the grant, the funds (\$3,500) would be used for the FYI program, to provide critical funding for non-residents, specifically Highwood residents, so they can participate in our learn to swim program. Additionally, the Parks Foundation has been raising funds to help support the construction of the community gathering area/plaza for Sunset Woods Playground. The campaign goal is \$25,000 and they are halfway there. Lastly, the Parks Foundation has also been working with the boating community to help raise funds for the Park Avenue Boating Facility. The

campaign goal is \$300,000 and the Parks Foundation is pleased to report they recently received a generous donation of \$50,000 and that donor has agreed to match up to \$150,000. The Parks Foundation has also received smaller donations ranging from \$1,000 - \$10,000 for this campaign. Overall, staff and the Parks Foundations are very grateful for these contributions, and he commended the Sogin family for their time and efforts dedicated to this project.

#### C. Director's Report

Executive Director Romes provided a couple of community updates on special events.

# Hp Hauntings

410 participants came out last Friday, October 22, to walk the haunted trails at Larry Fink Park for HP Hauntings. Staff couldn't have asked for better weather and received several compliments from participants. Pictures from the event can be found on our Facebook Page.

### Scary Skate

Join us this Friday, October 29 from 7 - 8:30 p.m. for a spooky and fun-filled time at Centennial Ice Arena for Scary Skate.

### Halloween Mini Golf

Join us for a frightfully good time playing through our scary course this Thursday, October 28 thru Saturday, October 30. Guests who come in costume will receive a discount on your round of golf.

#### Hocus Pocus, Drive in Movie

Tickets are sold out for our last Drive in Movie of the Year, Hocus Pocus, for this Thursday, October 28. Movie begins at 6:30 p.m.

Executive Director Romes provided an update on the District's COVID-19 Vaccination Policy.

### **COVID-19 Vaccination Policy**

Executive Director Romes reported that the Park District passed a new vaccine and testing policy to help suppress the COVID-19 virus. He commended Director Dunn and the Human Resources Department as they worked vigorously to ensure this policy was implemented. Likewise, he thanked all employees for their cooperation as the policy goes into effect on November 1.

The past 18 months have been very stressful, however, he wanted to ensure the public that the Park District is doing everything to prioritize health and safety while providing critical programs and services to the community. Additionally, it is very typical to see businesses with help wanted signs, and the Park District is no different. He acknowledged staff for their ongoing commitment and dedication. Furthermore, he thanked the Park Board and the community for supporting our services and programs.

#### **D.** Board Comments

Commissioner Bernstein commended Executive Director Romes for his hard work and leadership.

Commissioner Freeman thanked Executive Director Romes and staff for their efforts, and she is excited for what's to come.

# OPEN TO THE PUBLIC TO ADDRESS THE BOARD

#### Katie Braznichenko

# 2354 Tennyson Lane, Highland Park

She is relatively new to Highland Park, and she is here tonight speaking for the neighborhood of High Ridge as they would like to see a park built in their neighborhood. Currently, the closest park is Olson, which is not within walking distance, nor is the parking lot close to the playground. As a result, she shared an email with the Park Board of Commissioners to see if the Park District could purchase the empty lot in High Ridge as it would be a great location for a new playground. Furthermore, she is here this evening to see if the park Board of Commissioners would consider putting a park in that lot and would like to know the process to achieve such a request.

Executive Director Romes reported that also received Katie's email and plans to have further discussion with the Park Board and will follow up over the next few days.

#### Katie Braznichenko

### 2354 Tennyson Lane, Highland Park

Thanked Executive Director Romes and the Park Board for taking her request into consideration and reported that the lot is currently listed at \$459,000.

Commissioner Bernstein and President Ruttenberg requested that Katie's request be a topic of discussion at the Facility or Parks and Natural Areas Committee Meeting.

### Councilwoman Lidawer

### 1707 St. Johns Avenue, Highland Park

Councilwoman Lidawer reported that she is impressed with the plans presented this evening and commenced the Park District for their efforts and a job well done.

### **CLOSED SESSION**

A motion was made by Commissioner Bernstein, seconded by Commissioner Freeman to adjourn into Closed Session for discussion of Section 2(c)5 – the purchase or lease of real estate including discussion on whether a certain parcel of property should be acquired.

### **Roll Call:**

Aye: Commissioner Bernstein, Commissioner Freeman, President Ruttenberg

Nay: None

**Absent:** Commissioner Kaplan, Vice President Grossberg

**Abstain:** None

**Motion Carried** 

The meeting adjourned into Closed Session at 7:33 p.m.

The meeting reconvened into Open Session at 7:48 p.m.

# **ACTION FROM CLOSED SESSION IF ANY**

No action was taken during closed session.

# **ADJOURNMENT**

A motion was made by Commissioner Bernstein and seconded by Commissioner Freeman and approved by a unanimous vote. The Board Meeting adjourned at 7:49 p.m.

Respectfully submitted,

Roxanne Hejnowski, Assistant Secretary

Roxanne Hejnowski