

**MINUTES OF A THE FINANCE COMMITTEE MEETING
OF THE PARK DISTRICT OF HIGHLAND PARK
HELD ON MARCH 12, 2024, 8:12 AM.**

Present: Commissioner Bernstein, Commissioner Ruttenberg

Absent: None

Also, Present: Executive Director Romes; Deputy Director Carr; Director Peters, Director Smith, Director Voss, Director Gogola, Director Baird; Assistant Director Reyes, Assistant Director Acevedo, Manager Ochs, Accountant Moraru

Guest Speaker: None

Additions to the Agenda

Director Smith provided an update on the Rory David Deutsch property. In 2021, staff met with the Highland Lakes Property Owners Association regarding the termination of the agreement. Staff proposed that rather than remove all equipment and structures and restore the site, the Park District remove limited equipment that may be of a future safety concern and make limited improvements to the site. The Property Owners Association would be responsible for future maintenance, repair, and replacement. They were in support of this approach and requested that the agreement be allowed to renew for a twelve-month term to provide adequate time to come to an understanding of an acceptable condition in which the Park District would leave the site. After the twelve-month term, the intention would be to terminate the agreement and turn over management and maintenance of the property to the Property Owners Association.

The Park District has felt hesitation from the Property Owners Association to move forward with the transfer agreement thus far, so staff are proposing to offer to extend the agreement by 15 years and include a fee structure to cover playground and site maintenance costs.

Commissioner Bernstein supports a 15-year extension period and recommends contacting the Home Owners Association to see if they will cover the proposed fees.

Pickleball Facility Update

Director Smith reported that on December 13, 2023, the Park Board of Commissioners approved a Restricted Donation Agreement with Ron Saslow to help fund the Park District's construction of a bubble-style indoor paddle facility (Paddle Facility) where patrons can participate in pickleball and padel sports and other complementary recreational activities. In accordance with this Agreement, the Park District will hold all necessary contracts for the design and construction of the new facility.

Separately, the Park Board of Commissioners approved the second amendment to Lot 3 Lease Agreement with the City of Highland Park on January 31, 2024. In accordance with this Second Amendment, the Park District agrees to construct sewer and water facilities on the property and be responsible to hold all necessary contracts for design and construction.

Gewalt Hamilton Associates has provided a proposal for civil engineering design services for exterior utility improvements, as well as development of construction documents, bidding assistance, permit

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coordination and construction administration. A summary of the design services agreement scope is as follow:

- Water service (capable of feeding fire hydrants and an interior fire suppression System)
- Hot mix asphalt pavement within interior footprint of dome foundation
- Coordination with Geotechnical and environmental engineer
- Traffic and parking study (if necessary)

Woodhouse Tinucci Architects has provided a proposal for architectural services including design development, construction documents, permitting for the entire project, bidding and construction administration. A summary of the design services agreement scope is as follow:

- Full architectural services related to Interior construction of office space, pro-shop, changing rooms and restrooms including design, documentation, permitting and construction administration.
- MEP engineering services associated with new plumbing, electrical and ventilation for office spaces.
- New electrical services to facility.
- Paving/stripping plan for interior court layout.
- Compilation of full drawing package for permitting.
- Permitting assistance and coordination for direct responsibilities above, and management of permitting process via Owner's other consultants.

The Committee did not have any questions regarding the proposals. Representatives from Gewalt Hamilton Associates and Woodhouse Tinucci Architects answered project specific related questions, including flooring, parking, and the air supported dome.

Debt Overview

PMA Securities, LLC, Senior Vice President, Managing Director, Robert Lewis provided an overview of the Park District's Debt and Funding scenarios. This includes available financing mechanisms: Alternate Revenue Bonds, Debt Certificates, or Bonds paid from a separate property tax (referendum and non-referendum bonds).

He reviewed the Debt Certificates, Debt Service Schedule and the Equalized Assessed Value (EAV), the Non-Referendum Borrowing Capacity and the timeline for the bond issuance, and the Bond Market Analysis highlighting interest rates and the long-term borrowing rates vs. short-term investment rates.

Commissioner Ruttenberg and Commissioner Bernstein requested at a future Finance Committee Meeting, a short presentation (graphic) showcasing proceeds, spend down requirements, and how they are being met. This will help to prioritize projects.

Pickleball Facility Update (Continued)

Executive Director Romes reviewed the project timeline and the estimated project costs, including sponsorship opportunities and fundraising opportunities. Between sponsorship and fundraising, staff are hoping to raise an additional \$600,000 for the project.

Lastly, Executive Director Romes reported that staff are updating the current five-year Pro-Forma.

Ordinance 2024-03 An Ordinance Amending the Appropriation Ordinance for the Fiscal Year Beginning January 1, 2023, and Ending on December 31, 2023

Director Peters reported that as the year progressed, Recreation Fund Item types 630, Insurance, and 650, Maintenance & Landscaping began to run over budget. As of 12/31/23, Insurance was over appropriation by 3% (\$28,010.21) and Maintenance & Landscaping was over appropriation by 14% (\$59,672.27). As both are over budget by more than 110%, they also are exceeding the appropriation filed with Lake County. After consultation with both our attorney and auditors, staff have been advised that a formal budget amendment does not need to be filed with the County. However, a budget transfer, approved by ordinance, must take place. Recreation Item Type 130, Special Events, has over \$38,000 of unused expense budget in the line-item Independence Day Independent Contractors. As the event concluded in July, staff recommend transferring from this Recreation Fund Item Type to cover the overage in Recreation Item Type 630 - Insurance. Additionally, Recreation Item Type 110, Camps, has over \$190,000 of unused expense budget. Staff recommend transferring from this Recreation Fund Item Type to cover the overage in Recreation Item Type 650 – Maintenance & Landscaping. Additionally, as allowed by the auditors, Incode will not have a new budget created; the transfer will be in the Annual Consolidated Financial Report only.

It was the consensus of the Finance Committee Meeting to place Ordinance 2024-03 on the consent agenda at the March 20, 2024 Regular Meeting.

Recreation Trail Program Grant

Director Smith reported that the Park District would like to submit a Recreation Trail Grant application for the Red and Green Trails at the Heller Nature Center. Improvements include regrading, widening to eight feet, replacing culverts and replacing/adding trail material. The Grant is Administered by the Illinois Department of Natural Resources (IDNR). This competitive grant program provides up to 80% federal funding on approved projects and requires a minimum 20% match with a maximum award amount of \$200,000. This program provides funding assistance for acquisition, development, rehabilitation, and maintenance of recreation trails. The application is due on March 22, 2024, and awards are typically announced twelve months after the application period closes. If awarded, the Park District would have two years to complete the awarded project.

It was the consensus of the Finance Committee Meeting to place the Recreation Trail Program Grant Application on the consent agenda at the March 20, 2024 Regular Meeting.

Other Business

None.

Open to the Public to Address the Board

None.

Adjournment

The meeting adjourned at 9:31 a.m.

Respectfully submitted,



Roxanne Hejnowski, Assistant Secretary