

**LAKE BLUFF PARK DISTRICT
BOARD OF COMMISSIONERS
MINUTES OF SPECIAL BOARD MEETING
OCTOBER 5, 2009**

The Special Board Meeting of the Board of Commissioners of the Lake Bluff Park District, Lake County, Illinois, was held at the Recreation Center, 355 W. Washington Avenue, Lake Bluff, Illinois.

Present: Commissioners: Douglass, Ehrhard, McKendry, Hart, Meierhoff, President Gronau
Absent with prior notice: Commissioner Nickels

Visitors: Dave Peterson (Director of Business and Facility Services), Dave McElvain, Bob Troyer, John Dzarnowski (FGM Architects), Eric Anderson (BMO Capital Services), Ron Salski (Executive Director)

1. CALL TO ORDER:

President Gronau called the meeting to order at 6:31 p.m.

2. ROLL CALL:

The following Commissioners were present when the roll was called:

Commissioners Douglass, Ehrhard, McKendry, Hart, Meierhoff, President Gronau

3. APPROVAL OF AGENDA:

Commissioner Gronau requested the order of the agenda be changed to read as follows:

- A. Parks, Programs & Facilities Committee: Pool Audit Presentation
- B. Resolution to call a Public Hearing
- C. Administration & Finance Committee: BMO Capital Services - Proposal

A motion was made by Commissioner Meierhoff and seconded by Commissioner Douglas to approve the agenda of October 5, 2009 as amended.

Ayes: Commissioners Douglass, Ehrhard, McKendry, Hart, Meierhoff,
President Gronau

Nays: None

Abstain: None

Absent: Nickels

4. STATEMENT OF VISITORS:

None

5. ACTION ITEMS

A. Pool Audit Presentation

John Dzarnowski (FGM Architects) presented the Commissioners with a pool audit overview. The audit included a visual inspection of the structure/finish of the pools, pool gutter systems, exposed piping, pool filtration systems, chemical control, and feed systems. The inspection examined all elements of the pool to determine compliance with current applicable codes; including VGB (Virginia Graham Baker Law, State of Illinois Administrative Code, Illinois Accessibility Code, and the Americans with Disabilities Act.

Secondly, the site visit was to provide an opinion of probable cost for deficient items needing repair or replacement. Twenty- nine code violations were found; however not all need immediate repair in order to keep the pools open. A major concern is the excessive amount of water loss. Records provided by the Park District Staff indicate the pools are losing an average of 6,900 gallons of water per day.

Mr. Dzarnowski's opinion is that repairing/renovating a facility of this age with this magnitude of problems is not a cost effective or long-term solution. The recommendation is to replace the main pool with a pool that meets the programming requirements of the Park District. Current trends show four different types of water being considered in the planning of aquatic facilities: leisure, competitive, therapy/wellness and instructional. Leisure water incorporates both active and passive water areas. Active water areas encourage water play by incorporating features like slides, geysers, tube-rides, and water volleyball/basketball. Passive water areas are for patrons to relax without undue splashing and may include in-water benches. Competitive water requires water depth of 3'6"– 5'0" in each lap lane. Therapy water is used for water aerobics; incorporating an area that generates a current such as a lazy river would provide an additional benefit in walking against the water current. Instructional water varies in depth range and is used for teaching at all abilities and skill levels.

Probable costs provided indicate the cost to repair the buildings and pools in the current location to satisfy the state administrative code and replace items identified in need of repair and safety concerns. This would not include any changes or discernable improvements to facility.

Main Pool: The pool was built in 1973 with a life expectancy of 20-30 years. Seventeen items were flagged for repair with 9 of these related to code violations. The surge tank has the potential to collapse so the Park District needs to determine the next steps. Probable cost of renovation of the main pool ranges from \$332,100 - \$406,550 while probable replacement cost of the pool would be approximately \$2,851,589. He recommends the board determine whether to repair prolonging the major costs. A new pool would cost more.

Wading Pool: The pool was built in 1991 with a life expectancy of 20-30 years.

Seventeen items were flagged for repair with 6 of these related to code violations. The VGB law initiated the reasons for an audit as well as the water loss. Mr. Dzarnowski's recommendation to build a new wading pool for a probable cost of \$511,811 would be in the best interest of the Park District due to the high cost of repairs needed.

Site Areas – Outside/Inside Pool Enclosure: Modifications are suggested to both site areas in order to meet code requirements, protect the safety of our patrons, and to better identify our pool location. A probable replacement cost of approximately \$753,207 has been identified.

Bathhouse and Support Areas: The bathhouse, pool manager office, and concessions stand were built in 1973. Items have been identified for modifications due to code violations, and safety concerns of staff and patrons. A probable replacement cost, \$768,796, has been identified.

Commissioner Douglass inquired about the timeframe for the minimum repairs. Mr. Dzarnowski indicated that permits at the state level take approximately 4-12 weeks, with 9 weeks being the average. Permits are required for the new gutter system in the main pool and for the tot pool work; therefore it may be difficult to get the repairs done in the off-season. Commissioner Douglass also inquired about the timeframe for design and construction of a new tot pool. Mr. Dzarnowski indicated that depending on the scope it could range from 2-5 months.

Director Salski indicated the importance of knowing what repairs are necessary for budgeting purposes. Mr. Dzarnowski stated repairing the VGB concerns and other minor ones. He also indicated that a recommendation for the tot pool be made at the October 19 meeting in order to inform the community as soon as possible.

A motion was made by Commissioner Hart and seconded by Commissioner Douglas to accept the pool audit as presented.

Ayes: Commissioners Douglass, Ehrhard, McKendry, Hart, Meierhoff,
President Gronau

Nays: None

Abstain: None

Absent: Nickels

B. Resolution calling for a public hearing

In order to restructure debt a Public Hearing must be called. Typically the Park District approves the Community Debt each year; however Eric Anderson (BMO Capital Services) recommends issuing debt every three years providing financial savings to the Park District.

A motion was made by Commissioner Hart and seconded by Commissioner Meierhoff to approve the Resolution calling a public hearing concerning the intent of the Board of Park Commissioners of the Lake Bluff Park District, Lake County, Illinois to sell \$4,000,000 General Obligation Limited Tax Park Bonds.

Ayes: Commissioners Douglass, Ehrhard, McKendry, Hart, Meierhoff,
President Gronau

Nays: None
Abstain: None
Absent: Nickels

C. BMO Capital Services Proposal

BMO Capital comes highly recommended by various reputable Park Districts, and the Lake Bluff Park District staff has brought them in to give a better assessment of District finances. Staff is looking at a proactive approach. Eric Anderson presented his plan for restructuring the Park District debt in order to meet future goals and maximize the Park District principal and interest. The advantages of restructuring debt at this time include: savings of \$5,600 by not utilizing the services of Chapman and Cutler for three years, potentially receiving one low rate for consolidated debt (irrigation, Rockland road house, paddle tennis), and restructuring the Community Center debt.

Commissioner Meierhoff voiced concerns over the proposal in general and would like the opportunity to discuss further with Director Salski and Director Peterson after further review on his part.

A motion was made by Commissioner Hart and seconded by Commissioner McKendry to hire BMO Capital Markets for the details listed in the proposal by underwriting the entire transaction for an amount equal to \$10.20/\$1,000 issued for amounts over \$336,100.

Ayes: Commissioners Douglass, Ehrhard, McKendry, Hart, Meierhoff,
President Gronau
Nays: None
Abstain: None
Absent: Nickels

6. VERBAL COMMUNICATIONS

A. Staff

None

B. Executive Director Report

Director Salski mentioned the following items:

July 4th Committee: The Committee would like an indication as to the Park District's level of sponsorship at the October 20th meeting. Commissioner Hart, Douglass and Meierhoff all indicated the level of sponsorship should not include any monetary contribution but should support the July 4th fireworks by providing the golf course for viewing, the cost of additional insurance for the evening, and parking. The Board of Commissioners meets again on October 19th and should adopt a formal motion at that time.

Tunnel Project: The Village meeting to discuss the tunnel is being held on October 14th. Director Salski indicated that we should discuss at the Committee of the Whole meeting in November.

2010 Budget Process: Director Salski asked for Board input on the budget process for 2010. Director Salski would like to see all Committees meet in unison in order to have all Board members work together on creating a balanced budget. The budget will be approved in December.

C. President's Report

None

7. ADJOURNMENT

There being no further business, a motion was made by Commissioner Hart and seconded by Commissioner Douglass to adjourn the meeting at 9:15pm. The motion carried by unanimous vote.

Approved this 19 day of October 2009
Board of Commissioners
Lake Bluff Park District