

**LAKE BLUFF PARK DISTRICT  
BOARD OF COMMISSIONERS  
MINUTES OF SPECIAL BOARD MEETING / WORKSHOP  
JUNE 2, 2010**

The Regular 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.

Visitors: Ron Salski (Executive Director), Dave Peterson (Director of Facilities and Recreation Services), Rob Foster (Director of Golf & Park Maintenance), Dutch Wood, Lauren Jacobs, Lauren Kuetemeyer, Pam Russell, John Dzarnowski (FGM Architects) Eric Anderson (BMO Capital) Dave Olson, Scott Larsen and John Emser (WB Olson), Mike Rink (Corporate Construction Services)

**1. CALL TO ORDER:**

President Gronau called the meeting to order at 5:34 p.m.

**2. ROLL CALL:**

The following Commissioners were present when the roll was called:  
Commissioners: Considine, Douglass, Nickels, Gronau

Commissioner Ehrhard arrived at 5:35 p.m.

Commissioner Hart arrived at 5:39 p.m.

Commissioner McKendry arrived at 5:53 p.m.

Absent with prior notice: None

**3. APPROVAL OF AGENDA:**

A motion was made by Commissioner Considine and seconded by Commissioner Nickels to approve the agenda of June 2 as presented.

**On the roll call, the vote was as follows:**

**Ayes:** Considine, Douglass, Nickels, President Gronau

**Nays:** None

**Abstain:** None

**Absent:** Ehrhard, Hart, McKendry

**4. APPROVAL OF MINUTES OF MAY 18, 2010 SPECIAL BOARD MEETING**

A motion was made by Commissioner Nickels and seconded by Commissioner Considine to approve the May 18, 2010 minutes as presented.

**On the roll call, the vote was as follows:**

**Ayes:** Considine, Douglass, Nickels, President Gronau

**Nays:** None

**Abstain:** None

**Absent:** Ehrhard, Hart, McKendry

## 5. BOARD WORKSHOP

President Gronau reminded the audience since this is a working meeting visitor comments will be taken after the Board has discussed all items on the agenda

Executive Director Salski indicated the timeline for the workshop.

- A. Introduction & Verification of Construction numbers
- B. 25 yard options (4A, 5, 6)
- C. Financial Options
- D. Community Input
- E. Wading Pool for 2011

### A. Construction Management

*WB Olson:* Dave Olson, John Emser and Scott Larsen gave an overview of what the company would provide to the Park District. WB Olson has been in business since 1970 with Park District and Recreation Centers as its main market. All gentlemen are LEAD certified and can provide options for sustainability as needed.

*Corporate Construction Services:* Mike Rink gave an overview of what the company would provide to the Park District. Corporate Construction Services also serves Park District and Recreation Centers as its main market, building 18 aquatic centers in 25 years. Mr. Rink believes in having a conceptual budget that can be presented to the community with confidence. His only concern is with site access and associated costs; however he believes the plans and costs are in line.

Executive Director Salski mentioned that there are procedures to follow if the project is approved and a construction management firm is to be used.

### B. 25 yard options – (4A, 5A, 6)

John Dzarnowski of FGM Architects outlined the newest concept, 6, which was designed to minimize cost and features while giving only a 25 yard pool option. After a lengthy discussion, Commissioners agreed to use concept 6 with modifications, as the 25 yard design.

Executive Director Salski will contact Commissioners separately to gather input of the pros and cons relating to the 3 design concepts being presented to the public.

### C. Financial Options

Executive Director Salski indicated the Park District Capital Replacement and Improvement schedule is significant. He clarified the difference between “replacement” and “improvement”.

A replacement example would be a new HVAC unit – new unit is exactly the same item as the old. An improvement example would be a playground – may have changes and modifications but remains a playground, an improved playground.

Executive Director Salski indicated the Park District will continue to have a balanced budget, however, the concern is with how to address capital replacement and improvement projects in the next 5-7 years.

Executive Director Salski discussed possible funding options.

*Grants: PARC- Park and Recreational Facility Construction*

This is a new program which would fund \$25 million per year.

*“Bondable” or “brick and mortar” projects for capital expenditures may include, but are not limited to, demolition in preparation for additional indoor/outdoor recreation purposes, site preparation and improvements for indoor/outdoor recreation purposes, utility work for indoor/outdoor recreation purposes, reconstruction or improvement of existing buildings or facilities for indoor/outdoor recreation purposes, expansion of buildings/facilities for indoor/outdoor recreation purposes, and new construction of buildings/structures.*

*Land acquisition projects for public park recreation and conservation purposes include, but are not limited to, acquisition of land for the following: to construct new public indoor/outdoor recreation buildings, structures and facilities; to expand existing public indoor/outdoor recreation buildings, structures and facilities; general park purposes such as regional, community and neighborhood parks and playfields; frontage on public surface waters for recreation use; open space/conservation purposes to protect floodplains, wetlands, natural areas, wildlife habitat and unique geologic and biologic features, and additions to such areas.*

This is a new program which would fund \$25 million per year. A grant writer would charge approximately \$5,000 - \$7,000. There is currently no application deadline stated.

*Naming Rights:* A naming rights policy has been approved by the Board and is part of the Administrative Policy Manual. The Foundation would be asked to help build relationships with corporations or individuals.

*Partnerships:* City of Lake Forest is interested in a discussion once the final design option has been approved. However, it will be difficult to gain support in a short time due to differences in budget calendar year and the current economy.

Eric Anderson (BMO Capital) discussed the types of possible referendums.

*Bond:* Bond propositions are very direct, and ask for an amount certain to fund a specified project or projects. Bond proceeds cannot be used to fund operating costs.

- Ask for a specific amount, and a specified project
- Can be retired over a maximum period of 25 years
- Once fully retired, property tax no longer levied
- Operating taxes + bond levy  
Equalized Assessed Valuation = total tax rate

*Tax Rate:* Tax rate propositions contain significantly more complex information, and are more restrictive in their use of proceeds given the perpetuity of the increase. Questions are substantially more involved than bond questions. Greater restrictions are imposed on the use of funds.

- Ask for a specified tax increase amount for a specific purpose to be implemented over a specific time
- Bonds can be issued against future tax increment
- Tax rate referendums are permanent tax increases
- Amount of taxes approved must be used only for the purposes approved by via referendum
- Operating taxes  
Equalized Assessed Valuation = total tax rate
- Arbitrage rebate- repay the federal government for any earnings above the average yield paid to investors. Regulations are strict and governed by the IRS.

Eric Anderson (BMO Capital) discussed the following items in regards to referendums.

*Cost:* A referendum asking for \$8,000,000 would equate to the following:  
A home valued at \$700,000 would see taxes increase \$200. If the homeowner itemizes taxes then a savings of roughly 30% would incur making the tax increase \$140.

*Retirement Approaches:* Two possible types to be considered were outlined.

*Level:* Similar to a home mortgage, debt service is level. This structure results in a descending tax rate in times of increasing property valuation.

*Ascending:* Graduates debt service each year by a certain amount, generally linked to inflation. If home prices increase each year by inflation, the tax rate produced remains constant over time.

Executive Director Salski discussed funding other capital projects. Park District staff estimates the need for approximately \$350,000 each year for the next seven years, resulting in a total of \$3.5 million for capital replacement projects.

*Miscellaneous:* Lake County would need referendum information by July for a November election and by January for an April election.

#### D. Community Input

Executive Director Salski presented the draft signboards for Commissioner visual and design input. These signboards, when finalized, will be placed in the community for public comment. Community input meetings are scheduled for June 22 at 9:30 a.m. and June 23 at 6:30 p.m.

Executive Director Salski indicated the need for the Board to finalize a concept by July 1. A meeting is scheduled for June 28 at 6:30 p.m. to finalize a budget and then a concept design.

Executive Director Salski discussed the meetings schedule with the Village Board and District 65. He would like to have Commissioners present the pool concepts (2B, 2C and 6A) at these meetings using the signboards currently being created. Commissioners Considine and Nickels both offered to be presenters.

E. Wading Pool for 2011

Executive Director Salski indicated the need to communicate the wading pool status for 2011 to the community. It is imperative to get the message to the community as soon as the conceptual design decision is made.

**6. STATEMENT OF VISITORS**

None

**7. ADJOURNMENT**

There being no further business, a motion was made by Commissioner Considine and seconded by Commissioner Douglass to adjourn the meeting at 7:38 p.m. The motion carried by unanimous vote.

Approved this 21 day of June 2010  
Board of Commissioners  
Lake Bluff Park District