

**LAKE BLUFF PARK DISTRICT
BOARD OF COMMISSIONERS
MINUTES OF SPECIAL BOARD MEETING
OCTOBER 5, 2015**

The Special Meeting of the Board of Commissioners of the Lake Bluff Park District, Lake County, Illinois, was held at the Lake Bluff Park District Golf Clubhouse, 365 W. Washington Avenue, Lake Bluff, Illinois.

The meeting was called to order at 6:30 p.m. by President Douglass.

The following Commissioners were present when the roll was called: K. Considine, S. Ehrhard, B. Gordon, K. Gronau, and President R. Douglass.

Commissioners K. McKendry and B. Wallace were absent.

Staff members present were Ron Salski, Executive Director; Jim Lakeman, Superintendent of Recreation, Safety and Outreach Services; Sarah Bagley, Human Resources Manager; Rob Foster, Superintendent of Golf, Park and Facility Maintenance; Ed Heiser, Superintendent of Facility Services; and Marcia Jendreas, Recording Secretary.

Approval of Agenda

President Douglass changed the order of New Business/Action/Discussion Items as follows:

- A. Capital Equipment – Department of Golf, Park & Facility Maintenance – Presentation
- B. Capital Plan – Funded & Unfunded Plans – Approval
- C. Friends of Lake Bluff Parks – Capital Projects – Approval
- D. Authorization for Request for Proposals – Golf Course Management Services – Approval
- E. 2016 Budget & 2015 Tax Levy – Discussion

Commissioner Gordon moved, seconded by Commissioner Considine, to approve the October 5, 2015 Agenda, as amended.

On the roll call, the vote was as follows:

AYE: K. Considine, S. Ehrhard, B. Gordon, K. Gronau, R. Douglass

NAY: None

ABSTAIN: None

ABSENT: K. McKendry, and B. Wallace

Motion carried.

Statement of Visitors – None

NEW BUSINESS/ACTION/DISCUSSION ITEMS

Capital Equipment – Department of Golf, Park & Facility Maintenance – Presentation

Superintendent Foster said the Park District has a significant fleet and requires consistent investment to operate efficiently and effectively. He noted that staff has extended the life span of most equipment as much as possible. The park vehicles and equipment are included in the 10 Year Capital Plan and the golf equipment has been placed in the operations via installment contracts. Golf vehicles and facility vehicles and equipment are included in the Capital B – Unfunded Plan.

Superintendent Foster gave a PowerPoint Presentation which contained pictures of equipment inventory, explained the condition and pointed out the needs. He explained the 4 Year Equipment Replacement Plan and said the Park District is past the replacement time for many pieces of the equipment inventory. In conclusion, he noted the Park District Maintenance needs a well organized, sustainable equipment replacement program which allows for some equipment replacement every year.

Capital Plan – Funded & Unfunded Plans – Approval

Executive Director Salski explained that the Capital A – Funded Plan is based on the 10 Year Capital Plan, which was approved by the Board and discussed during the referendum. This was also funded through the 2013 Series Bonds and future non-referendum bonds. He said staff rated the capital equipment and improvements based on a 2013 rating scale. After more discussions, the 2016 Capital Plan was outlined. During future budget processes, staff will continue to rate the capital equipment improvements and present recommendations.

Executive Director Salski said that the Capital B – Unfunded Plan was a compilation of all equipment and improvements that were not included in the 10 Year Capital Plan, and/or staff has identified future needs/wants. The unfunded projects were not prioritized within specific years as the equipment and improvements are not funded. However, the capital equipment and improvements are prioritized according to needs and Board discussions.

Executive Director Salski reviewed the list of 2016 Funded items. A lengthy discussion followed about the driving range netting. Manager Heiser explained that the netting was not adequate and should be replaced with netting that was 20 to 25 feet high. It would then stop 90-95% of the balls. Commissioners brought up the possibility of changing to irons only with no netting, and Manager Heiser noted that there would be an approximately \$12,000 loss in revenue with this idea.

Executive Director Salski suggested discussing netting again when all Commissioners were present, or taking it to the Committee level. He noted that a decision should be made by December in order to allow for a spring installation.

President Douglass suggested approving the Capital Plan A – Funded Plan for 2016, as presented, and taking the netting idea to Committee. All Commissioners present were in agreement to move forward with the approval of the Plan, as presented.

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Friends of Lake Bluff Parks – Capital Projects – Approval

Executive Director Salski explained the Friends of Lake Bluff Parks Board of Trustees have requested that the Park Board approve a potential list of capital projects for the Foundation's fundraising efforts.

Superintendent Lakeman advised that Friends' Liaison Susan Ehrhard and staff reviewed a list of priorities and ranked them as follows: Bus/Van - \$35,000; Outdoor Pre-School Classroom - \$5,000; Thor Guard System (for lightning protection) for Artesian Park - \$7,000; additional Pool Shade Structure - \$12,000; and additional Playground Equipment at Artesian Park - \$21,000.

Executive Director Salski said that once approved by the Board, the Friends of Lake Bluff Parks will determine which specific projects to raise funds for and develop a fundraising strategy.

Commissioners agreed that these were all good choices.

Commissioner Gordon moved, seconded by Commissioner Considine, to approve the specific capital projects so the Friends of Lake Bluff Parks can determine which projects to fund.

On the roll call, the vote was as follows:

AYE: K. Considine, S. Ehrhard, B. Gordon, K. Gronau, R. Douglass

NAY: None

ABSTAIN: None

ABSENT: K. McKendry and B. Wallace

Motion carried.

Authorization for Request for Proposals – Golf Course Management Services - Approval

Executive Director Salski stated that it is important to discuss a specific and complicated sustainable strategic objective, "reduce the annual golf course loss" and explore options to meet the objective.

Commissioner Ehrhard exited the meeting at 7:55 p.m.

Executive Director Salski explained that in recent years, it has become an increasing challenge to maintain the golf course and balance the budget due to rising operating costs and a steady decline in use. He said this mirrors a national trend of a decline in the number of active players nationally. Market analysts cite reasons for the decline ranging from expensive equipment and green fees to the game being too time consuming for younger people looking for activities with faster gratification. In addition, there is an abundant supply of courses in the area, state, and country. Finally, the weather trends have impacted revenue.

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Executive Director Salski reviewed the challenges since 2008 and said with all costs, i.e. operating, capital, debt, and benefits associated with the course, the golf course is projected to lose more than \$6.1 million in the next ten years. Also, because of declining local use, local tax payers end up subsidizing the memberships of a few. The Board set an objective to reduce the annual golf course loss and has looked at several options that could be considered. One is to issue a Request for Proposals (RFP) to hire an outside firm to manage the course and another is to drastically scale back the golf club operations to reduce costs. Because of the Park District's tax exempt bonds, there are certain limitations regarding contracts.

A discussion ensued and Commissioners agreed that it is not an option to continue "as is" since the continued annual loss cannot be sustained by the Park District.

Commissioner Gordon moved, seconded by Commissioner Considine, to authorize the Executive Director to issue a Request for Proposals for Golf Course Management Services.

On the roll call, the vote was as follows:

AYE: K. Considine, B. Gordon, K. Gronau, R. Douglass

NAY: None

ABSTAIN: None

ABSENT: S. Ehrhard, K. McKendry, and B. Wallace

Motion carried.

2016 Budget and 2015 Tax Levy - Discussion

Executive Director Salski reviewed the timeline for the 2016 Budget preparations. He noted that with the 2014 Tax Levy discussions, the Board agreed and requested staff to develop the 2016 Budget without increasing taxes by the Consumer Price Index (C.P.I.) while including growth. Due to the potential property tax freeze discussions, the Board agreed the discussions would be easier without including the C.P.I. increase.

Executive Director Salski advised that the State of Illinois has determined the C.P.I. as 0.8%.

After some discussion, Commissioners were in agreement to keep the starting point flat at 0.0% and then adjustment, if necessary, can be made after budget talks. Staff will then have an opportunity to justify why it is needed during the budget talks.

Executive Director Salski displayed a picture of the proposed boat slide for the new wading pool and asked for comments. Commissioners had mixed feelings and said a rocky slide structure had been discussed in the past. Executive Director Salski said he and staff will again review what types of structures are available. He also showed color samples of tiles for the pool and everyone agreed that the navy blue was fine.

ADJOURNMENT

There being no further business, motion was made by Commissioner Considine, seconded by Commissioner Gronau, to adjourn the meeting at 8:40 p.m. The motion carried by unanimous voice vote.