

Special Meeting
July 18, 2011

At the call of the President, Brett Gould, the Joliet Park District Board of Commissioners met for a Special Meeting in the Board Room of the Provena Saint Joseph Inwood Athletic Club, 3000 W. Jefferson Street, Joliet, IL. The meeting began at 10:00am

Pledge of Allegiance

The Pledge of Allegiance was led by Commissioner Schultz.

Roll Call

Commissioners Present: Gould, Albritton, Schultz, Marcum, Condon

Commissioners Absent: None

President Gould stated the meeting's purpose was to discuss the Park District's finances to make sure everyone is on the same page and to determine what can and cannot be done. This meeting was informational only with no action to be taken.

A. Review of Projected Debt Service

Business Manager Steve Bixenmann began by saying that under the tax cap, the Park District has \$1.8million per year to use for paying off debt. If not for the tax cap, we could borrow \$5.7million per year. A portion of the \$1.8million available has been used for prior projects such as the Provena Saint Joseph Inwood Athletic Club and the limited debt service. President Gould asked if there are some things coming due. Mr. Bixenmann said the athletic club will be paid off in 2024. The District also has revenue tax bonds for Woodruff Golf Course and Joliet Regional Airport. We were able to borrow for those projects because we could prove there would be enough additional revenue coming in to cover them. Executive Director Dominic Egizio said the Woodruff clubhouse was funded by increasing greens fees by \$1.00 at all three courses. He is not sure an increase in fees would be well received by the community in order to fund the construction of a new clubhouse at Wedgewood.

B. Vision for Long Term Capital Improvements

Mr. Egizio said he is aware that some of our maintenance facilities need to be worked on but they need to wait until things change with the capital improvement fund or in Springfield. Vice President Condon asked what the conversation has been on a staff level with regard to doing a multi-purpose center on the far west side of Joliet. Mr. Egizio advised that we have applied for a grant for land acquisition in that area. At this point, he is not sure if there are enough residents in that area to support another recreation center. Currently, the Inwood Athletic Club serves that population; however, that may not be the case in 5 or 10 years. President Gould added that when there was a lot of subdivision development in the area, the Board worked to get one big park out there, as well as in the southern part of the Park District. This did not happen because home construction dried up. Mr. Bixenmann said it was his opinion that it is to our advantage that it dried up. Commissioner Marcum agreed but asked how long we can continue to put off repairs or a new facility for Park Services. Mr. Egizio said he can't see replacing Park Services where it is because it doesn't serve the community well at that location. It takes Park Services crews 45 minutes in travel time to get to a west side park. He and Mr. Bixenmann are working with an

individual who may leave some money to the Park District in his will. Mr. Egizio said he can't see replacing the hangar building at Joliet Regional Airport either and he hopes that a new building could be built there and Park Services could be located on the back. There are a couple of options. We could take capital money to start on Park Services but that would take away our income potential. We could do a referendum or wait until 2024 when the Inwood Athletic Club's debt service is retired. President Gould asked if we are too shallow with the money that is set aside for emergencies. He also asked if repairs that are put off become more costly down the line. Mr. Egizio said the money that is set aside is used as a contingency fund for things that come up such as when the fire alarm at the Multi Purpose Center went bad or when we had to replace a septic truck two years ago. Unfortunately there will never be enough money to do everything that has to be done, and the tax cap still has our hands tied.

Mr. Egizio referenced the information that was given to the Board for the meeting, a listing of staff's long term vision for what they would like to do and also the entire Master Plan for 2010 through 2015. He said there will never be a way to get enough money to do everything included in the Master Plan. Considering the Park District's budget, it is important that we do something that is going to generate revenue. Everything we have is weather dependent. The athletic club is so successful from a financial aspect because it is not weather dependent. This is what makes the grant opportunity for a sports improvement center so attractive - it would not be weather dependent either. President Gould said he is into taking capital money for something that earns revenue; however, he is conflicted when looking at the list of parks and facilities that do not make any money but have needs - should we sacrifice the parks and playgrounds to build facilities? Mr. Egizio said it is hoped that our revenue producers will make enough money to fund other things such as playground repairs and replacement. The Park District applies for the OSLAD grant every year for funds to upgrade parks. President Gould said he hates to see the streets in Pilcher Park fall completely apart. Mr. Egizio said it is his opinion that we should not replace the roads there until the erosion problem is taken care of. President Gould asked what has to happen with the erosion problem. He was advised that we have applied for grants for this work; however, they are currently being held. Vice President Condon asked if these applications are for federal or state grants and was advised we have applications in for both. Vice President Condon's opinion is that we would not want to take funds from somewhere else to fix the erosion problem if we are going to receive grant money to do it. Commissioner Schultz asked about the possibility of closing the roads. Mr. Egizio said there are some old laws that say if a road has been used by the public for a certain number of years, the roads then become public and would therefore revert back to the City of Joliet. We would have to hire an attorney to research these laws. Vice President Condon asked how long we have been pursuing grant money for Pilcher Park and was advised approximately 10 – 12 years. There have been some things done such as the interpretive trail that goes from the Nature Center to the Horticultural Center. We also applied for and were awarded a grant from the State of Illinois for Pilcher Park however we never received the funds because the State did not receive the money from the federal government. President Gould said Pilcher Park is just an example of areas that need to be addressed.

Mr. Egizio advised the central campus at Inwood is helping to stabilize our budget so we jumped on the grant for the sports improvement center because it could raise more revenue. Another option for funding is the ability to go to the tax payers to pass a referendum.

President Gould asked how staff prioritizes what needs to be done. Mr. Egizio said he looks to create capital projects that are going to create revenue to stabilize our operating budget and provide funds for emergencies. We also look to grants.

Commissioner Albritton asked if we are going to get to the point where a building collapses due to disrepair and it has to be repaired or replaced as an emergency. Mr. Egizio said some facilities were ready for collapse 20 years ago and we are still keeping them going. We need to get our operating budget stabilized. Vice President Condon said she completely agrees with Mr. Egizio's priorities to get revenue generators that are not dependent on the weather and to use grants for other things. She said we are not in a position to do anything differently at this point.

Mr. Egizio said his vision is to do the next thing on Inwood's master plan which would create money for our operating budget so he will not have to close a facility or a program. Our staff works very hard to keep equipment going and to keep the Park District looking good to the community. We have to have a plan but when an opportunity comes up unexpectedly, we have to look at it. The master plan for Pilcher Park is at least \$15million. Vice President Condon asked if the Joliet Park Foundation has the potential to generate funds. Commissioner Marcum said he thinks the Park Foundation is geared towards the greenhouse and that we need foundation members who will reach out to different people in the community for capital projects. The current Foundation Board needs to be re-energized.

President Gould said the Board all agrees with having revenue producing facilities but he is concerned that we continue to limp along and needs assurance that we are still OK in doing so. Mr. Egizio said he could not give that assurance. Mr. Egizio said he is hearing good things about the District. Commissioner Marcum said most people do not realize we own the airport. He said the waterpark is labeled as a bad thing for us and most people do not realize how many people use Splash Station, even some on the city council do not realize the Park District doesn't own it. Commissioner Schultz said he has the confidence in Mr. Egizio to bring these projects to the Board.

Commissioner Marcum said that going for a referendum may not be a bad idea. Mr. Egizio said the company he has been meeting with will do a presentation to the Board, possibly at the August meeting. He continued that our projects for referendum would be land acquisition, the golf courses, reforestation, replacement of playground equipment and the next step at the Stadium. Also included on the list would be the sports performance center if we don't get the grant. President Gould said our other properties are looking terrible and he struggles with that. He said the Joliet Regional Airport is one of the gateways into the community and it looks terrible. Mr. Egizio said we can't replace the building there because of the small number of people it serves. If we want to keep the airport viable, we have to be in line to get money for Joliet included in a capital bill when the legislature does something for the Peotone airport. He continued that the old hangar building needs to come down. There is no elevator in it and the building is not functional. The building is on the National Historic roles so it would be better to tear it down. Mr. Egizio continued that the airport is recreational and serves a purpose but takes a lot of money to operate. Those interested in aviation need to support it. If we went for a referendum, the airport would not be on the list because not many use it. President Gould said that at the same time, it is our facility and we can't let it fall apart. Vice President Condon said

we have limited dollars and we have to be advocates and be able to say that we are trying to address everything as best we can. We need to talk to people regarding the constraints that we have. She said there is no way she would be interested in doing a referendum knowing what the public has been dealing with for the past 3 years when people are losing their jobs and trying to feed their families. Mr. Egizio said he agrees but when we do have to close the roads in Pilcher Park, for example, or when something happens, we could let them know that we asked and the community said no. Commissioner Marcum said people do not know the dire straits we are in. They don't understand where we are coming from, and a referendum may not pass but would be a good educational tool. Commissioner Schultz said going for a referendum would be costly.

Mr. Egizio reviewed the visions list which included golf equipment, Inwood's cart barn and 9 hole renovation, an irrigation system at Wedgewood, a shop and the bridge situation at Woodruff, roof replacement at Hartman Recreation Center, and the sports improvement center. He has been working with a couple of local businesses near the Inwood complex for a badley needed traffic light on Jefferson Street. There may be a way to get it done at little cost to the District. Also on the visions list is the Sports Complex fence, \$50,000 for the TIPs projects at Joliet Regional Airport, the Multi Purpose Center's furnace/air conditioning, a fieldhouse for Nowell Park, Park Services, Pilcher Park, on-going maintenance at Splash Station, land purchase and computer upgrades. If the transportation center is built in downtown Joliet, we would need some presence there with a health club and child care. Mr. Egizio said he would like to follow the master plan for Inwood because it works and a lot of people are served at this complex. He added that he is not turning his back on the other things.

President Gould asked if staff's priorities are based on current needs and he was advised they are. He said he would like to see emergent things prioritized as well as the visions.

C. Inwood Sports Improvement Center - Presentation by PSA Dewberry

Mr. Egizio said that at this point, we are ready to go to construction documents. We haven't heard anything about the grant, but from a revenue stand point, we are in a good spot. He introduced Daniel Atilano from PSA Dewberry who reviewed his qualifications for the Board.

Mr. Atilano said the proposed pre-engineered building includes a 100 x 200 fieldhouse. Artificial turf would be installed and the center would include, among other things, soccer, lacrosse, racketball, batting cages, five multi-purpose rooms and office space. The current Inwood Athletic Club lobby would also serve the sports performance center. The building's footprint is as large as it can be because of underground utilities. Construction costs as designed would be \$5.5million for the sports performance center and \$231,000 for the cart barn.

Mr. Egizio said the lobby looks large but if there are 4 or 5 events going on at the same time, a place would be needed as a staging area. The new building would become the front entrance to the Multi Purpose Center so the front desk of the Multi Purpose Cener would become office space.

Vice President Condon asked who would use the facility and Mr. Egizio said our leagues and area schools would definitely make use of it as well as other groups and organizations.

Commissioner Albritton asked if the fieldhouse could be turned the other way and was advised

that it probably would not work due to height restrictions. President Gould thought we would construct a big square structure connected to the Multi Purpose Center. He continued that constructing two stories is expensive because of the need for an elevator and stairwells. If we did a giant fieldhouse, we would get more teams in there at one time. When you are building little rooms, you are stuck with them due to their limited capacity. Mr. Egizio said the rooms would be used for small group personnel training and fitness classes for example. Early childhood programs could also make use of these rooms. President Gould said he would also prefer drop down batting cages.

Vice President Condon asked if staff had looked at the option of doing just a big space. Mr. Atilano said there is a firewall between the Multi Purpose Center and the main building which would restrict us. Current codes also restrict us on the size of the building.

President Gould asked if turf is limiting, preventing us from using it for anything other than turf sports, or would we be better off with a hardwood all purpose floor. Mr. Egizio said that looking at the clientele that comes into our facility has determined that turf would be the best flooring. We could also consider sports flooring.

Vice President Condon said she is interested in President Gould's concerns. Mr. Egizio said that on any given Saturday or Sunday morning, the center would have soccer leagues going on and if the batting cages are the drop down type, there could only be three teams using them and there would be no soccer. If we could do a bigger building, President Gould's option would work.

Vice President Condon asked about peak seasons and she was advised the facility would be used all year round. There may be some trouble booking in June and July. However, we currently have a problem with no place to put our day camps when the weather is bad so they could use the facility during inclement weather. Softball teams may use the cages in June and July before their games.

Mr. Egizio said that with regard to the mezzanine area, from a revenue standpoint, the roof space is going to be there so why not maximize its availability.

Vice President Condon asked how far the building would go into the golf course and she was advised the ladies #6 tee would have to be relocated.

President Gould said he was concerned with staffing the lobby. Mr. Egizio said the current lobbies would also serve the new building.

Vice President Condon asked what is going at the old soccer fields on Infantry Drive. Mr. Egizio said there have been discussions about what we are going to do with those fields but we could not put the performance center in there because, from an operational standpoint, we would have to add a lot more staff. Mr. Atilano said there would be no parking down either. The benefit of constructing it with the Multi Purpose Center is a family could be all in one facility with a child swimming, a child at the batting cages and a parent at the fitness center.

Mr. Atilano suggested that there could be a bid alternate for the batting cages.

President Gould said he is used to a large fieldhouse that would be usable for several different things at once, not individual rooms. Mr. Atilano said that even if we did that, it would not lengthen the size of the field. Mr. Egizio said that based on the size, we could have four uses going on at the same time. President Gould asked if we would get more uses out of it with a big open space, rather than hard structures. Mr. Egizio said he is just strictly looking at the revenue potential by getting the most people in the building as possible; however, we will look at some alternate options.

President Gould asked if putting 20 batting cages in would bring more revenue than one soccer team using it with 3 batting cages. Mr. Egizio said he will check into this.

President Gould then thanked Mr. Atilano for his presentation.

After Mr. Atilano left the meeting, there was some brief discussion about his performance for the Inwood Athletic Club, that there were things we thought we were getting and did not. Ted Brodeur, Superintendent of Revenue Facilities, said staff is keeping an eye on functionality.

Mr. Atilano's fee would be 6.5%.

At 12:05pm, the Board of Commissioners took a brief recess, reconvening at 12:14pm.

D. Marketing Proposal from NAI Hiffman for the property at corner of Route 59 & Caton Farm Road

Mr. Egizio advised that the corner property has been for sale for some time. We are losing valuable revenue at Wedgewood because there is no banquet hall. With only 3 years left in the legislation that allows us to sell up to 8 acres of land and no one on staff who knows real estate, Mr. Egizio recommended hiring a broker, NAI Hiffman. Our cost to hire them would be \$3,000 for development of marketing materials and 6% commission on the sale of the property. If the Board agrees, this would become an agenda for July meeting.

Mr. Brodeur said that when staff started looking at what could be done at Wedgewood, it was decided to sell the corner because it is space that is not used. Staff hopes to get \$5million - \$5.5million for the property. That would allow remodeling of the existing clubhouse for approximately \$2.5million. The current clubhouse only seats 60-70 people; however, the new facility would hold 200 inside and have a small room for 50-60 people as well as a restaurant/sports bar that would be open year round. The remaining money from the sale would be used for the irrigation system which would cost approximately \$1million to \$1.7million.

Commissioner Albritton stated that if the clubhouse is remodeled, he would like it to be expandable.

Commissioner Schultz asked if we could use capital money and then pay it back. Mr. Bixenmann said this would be possible if the property was sold.

Vice President Condon asked who would run the banquet facility. Mr. Brodeur said there are several park districts that run their facilities and we would do the same.

Mr. Egizio said he would recommend contracting with NAI Hiffman for 6 months or a year to see if we can get the property sold. Commissioner Marcum pointed out that the company is not local. Mr. Egizio said we have already done requests for proposals from local brokers with no response.

Vice President Condon said she is not opposed to signing a contract with them but would like to review the entire marketing proposal. It was determined that getting an appraisal on the property now would be to our detriment.

President Gould asked if the 6% is negotiable and Mr. Egizio said he is not sure. He added that if we contract with the company we will only be out \$3,000 for the marketing materials.

This will be an agenda item for the July 25, 2011 meeting.

E. Adjournment

With all agenda items discussed, Commissioner Marcum made a motion to adjourn the meeting. His motion was seconded by Vice President Condon and it unanimously carried. The time was 12:38pm.

Respectfully submitted,

Dominic P. Egizio, Jr.
Board Secretary