

**Minutes of the Waukegan Park District
Meeting of the Board of Commissioners
August 12, 2014**

The Board of Commissioners of the Waukegan Park District met in a regular meeting on August 12, 2014 in the Rose Administrative Center, 2000 Belvidere Street, Waukegan, Illinois.

I. Call to Order

The meeting was called to order at 4:30 p.m. by President Duffy who directed a call of the roll.

II. Roll Call

Present: Commissioners Kilkelly, Foley, Sarocka, Bridges and President Duffy.
Absent: None. Also present was Executive Director Greg Petry and Board Attorney/Secretary Charles Smith.

III. Consent Items

- A. Minutes
 - July 8, 2014 (Board of Commissioners Meeting)
 - July 22, 2014 (Special Meeting)
- B. Bills
- C. Payroll
- D. Financial Statement

Motion by Commissioner Sarocka, seconded by Commissioner Foley, to approve the consent items and pay bills as presented.

Commissioner Foley had a question about the Minutes from July 8 concerning the Attorney's Report. Attorney Smith advised that the question concerning the Dallas Buyers Club complaint would be addressed in the Attorney's Report. **Roll call to the motion: Kilkelly, Foley, Sarocka, Bridges, Duffy. Nays: None. Absent: None. Motion carried unanimously.**

IV. Public Portion

- Lake County Forest Preserve Presentation regarding trail connections. A representative from the Lake County Forest Preserve had been scheduled to attend and make a presentation concerning the trails. They were not present.

No members of the public asked to address the Board.

Motion by Commissioner Sarocka, seconded by Commissioner Foley, to amend the agenda to allow the presentation of the Audit Report by Laurie DeFazio from Knutte & Associates. Motion carried unanimously.

Ms. DeFazio made an oral report of the draft audit report. She stated that her office had conducted the on-site portion of the audit the week of July 14, 2014. Trial balances were done in advance with the cooperation from the Finance Department. Over 40 cash items were tested and zero exceptions were noted. There was accordingly no need to expand the audit in that area.

In Payroll 40 items were tested with zero exceptions and again, there was no need to expand.

Cash disbursements had zero exceptions.

The conclusion was that all basic accounting systems are proper and in good working order.

The General Ledger was reviewed; all checks were cashed; accounts were good.

The auditors also checked that property taxes and levy ordinances were in accordance with state law.

Payroll and necessary reporting to IMRF, FICA, and other agencies were all confirmed.

Knutte also checked all legal bills to the District to ensure that there were no undisclosed liabilities.

Knutte spent three days on site and then returned to their office to conclude the audit.

Three funds were found to be slightly in excess of budget, but were not alarming.

Ms. DeFazio's opinion therefore was that the budgeting process is working well.

At the end of the year the cash balance was 1.5 times the year's expenditures and this is a good cash reserve for a municipal body.

No deficit fund balances were noted.

No exclusions were found.

There exists a potential for changes concerning retirement fund reporting with the implementation of GASB 67 & 68 in 2015. Knutte will continue to monitor IMRF and GASB announcements to ensure reporting requirements are met for the audit.

As a bottom line, Ms. DeFazio did not foresee any problems with the retirement funds and felt that the District was in good financial condition.

Golf operations, 20 items were tested with zero exceptions. The same was found for the payroll.

A full review and testing of all accounts did not show any unusual occurrences.

Commissioner Bridges asked if purchases on the p-cards were tested and Ms. DeFazio advised that three months of the p-card were tested and no exceptions were noted.

Commissioner Sarocka asked for an explanation of the liabilities of golf operations.

Ms. DeFazio responded that the reason there are liabilities being shown is that some expenditures may not be made by April 30; a prime example being that season passes for the golf courses are sold before April 30 and revenue is received in one fiscal year and it is actually expended after April 30 during the summer months. Knutte is required to show this as a liability but there are obviously funds for that liability.

Mr. Glogovsky discussed the audit and reviewed the procedures stating that nothing has changed in the past few years and that there was a clean audit letter. He further noted that the net asset position of the Park District increased by approximately \$2M to over just over \$57M.

In the past year \$1.3M was expended for capital improvements. Mr. Glogovsky did note that there was larger amount in capital repairs due to the collapsed wall at the maintenance facility.

Mr. Glogovsky also pointed out the downgrade in the bond rating, which is required to be reflected in the audit report. He expects the audit to be completed and ready for approval at the September meeting.

President Duffy questioned the decreases in the EAV and how it will affect the Park District.

Mr. Glogovsky explained that the Park District has correctly anticipated the effect of the decreased EAV and has appropriately budgeted for it.

Commissioner Sarocka commented that many tax bills in Waukegan Township have declined by 7%, but some by just .07%.

Mr. Petry pointed out that there are portions of the Park District that are also in Warren and Libertyville Townships and those Townships have had some increase in EAV.

V. Progress Reports

A. Executive Director. Greg Petry presented his written report. He orally noted that he had been expecting the Forest Preserve to make a presentation concerning the expansion of the trail system.

Commissioner Kilkelly suggested that she understood that the Forest Preserve was planning on attending the Committee of the Whole meeting in two weeks.

- Strategic Plan Update. Mr. Petry announced that there will be a public meeting on September 17, 2014 and that there has also been computerization of all aspects of the Strategic Plan so it will be easier for the commissioners to track the progress on the Strategic Plan.

Commissioner Sarocka questioned the nature of the FOIA request that Mr. Petry had been dealing with and reflected in his report.

Mr. Petry explained that the FOIA was from a resident of Beach Park who wanted information concerning improvements to Beach Road. He stated that although it was a considerable amount of effort, he and Sally had supplied all of the information that the resident was seeking and believes that this issue is closed.

Commissioner Foley questioned the portion of Mr. Petry's report concerning the Gold Medal decals on the entry doors.

Mr. Petry explained the decals would be put on all entry doors of the Park District's facilities.

Commissioner Foley asked about the creation of the Foundation Board and wanted to know why more professionals, particularly attorneys, accountants, and physicians had not been invited to sit on the board and also urged that there be efforts to include more Latinos.

Commissioner Foley also requested greater detail as to upcoming events when emails are sent out, particularly dates of the event and that all flyers contain the date of an event.

Commissioner Foley questioned an item on Tanya Brady's report concerning equipment inspections.

Mr. Glogovsky assured Commissioner Foley that all inspection reports that indicate that repairs or service needs to be made to equipment are promptly followed up on.

Commissioner Foley asked a question concerning how the staff follows up with employees who are involved in accidents.

Mr. Trigg advised that reports of accidents and costs arising from an accident are reviewed with the employee to make sure that the employee is aware of the costs associated with the accident and how it could have been avoided or how actions should be avoided in the future.

B. Attorney. Mr. Smith reported that he filed a small claim complaint against Milena's Concessions for the check it had issued a stop payment order on. He advised that the attorney hired by Milena's, Jeff Thut, had filed a counter claim alleging that his client had been wrongfully terminated under the Food and Beverage Concession License Agreement and that he was suing for two years' worth of lost income. Mr. Smith advised that since the agreement had a mandatory arbitration provision, that he was filing a motion to dismiss the counter claim for failure to comply with the arbitration provision and seeking to have the matter transferred to arbitration.

Mr. Smith reported on the lawsuit brought by Dallas Buyers Club, LLC for unauthorized downloading of copyrighted material. He believes that he has worked out a successful resolution of the complaint by explaining to the plaintiff's attorneys that no Park District employee downloaded any copyrighted material. There is a possibility that users of Park District facilities have used the access to free Wi-Fi to obtain copyrighted material. The Park District has agreed to reduce the speed at which an individual using the Wi-Fi can download material and this should make it extremely cumbersome and time consuming to download copyrighted material such as a movie.

Mr. Smith also advised that the Park District will be required to install signs advising that it is illegal to download copyrighted material and when people register for the Wi-Fi, they would have to sign an agreement acknowledging that they are aware that it is illegal to download copyrighted material in.

Mr. Smith will attempt to work out a final settlement agreement with the Dallas Buyers Club's attorneys before the September board meeting.

Mr. Smith advised that at the request of the recreation department a notice had been sent to a patron that his ban from the use of Park District facilities had been extended because of the patron's similar violations at another health club.

Mr. Petry advised there had been an incident the previous weekend at the SportsPark with a patron refusing to adhere to directions from Park employees directing traffic. This resulted in the individual being arrested. Mr. Smith will follow the status of the criminal case.

Commissioner Foley asked questions concerning how the Dallas Buyers Club case was able to identify the Park District as the source where the movie was downloaded.

Mr. Smith explained that a subpoena to Comcast produced the Park District's IPI address.

Commissioner Foley asked if the Park District could require patrons making use of the free Wi-Fi to register their email address.

Mr. Petry explained that that would be a very expensive alteration to the software to require users to log in and provide an email address, and even then they could potentially use fake email addresses.

Commissioner Kilkelly asked if in light of the recent news stories if the Park District is changing its password frequently.

Mr. Petry advised that this is reviewed by Mr. Georges.

C. IAPD/Legislation Update. Mr. Petry stated that with the General Assembly in recess there is no update at this time.

D. Division Reports.

D1. Finance & Administration. Jim Glogovsky submitted his written report and stated that the Park District had received two checks from GolfVisions under the contract.

D2. Cultural Arts. Claudia Freeman submitted her written report and stated that she has received several favorable comments about the concerts at the lakefront. She was also approached by an individual concerning the cultural event at Woodward Park stating that this person was very supportive of the Park District and its efforts to bring cultural events to the parks.

The Dandelion Wine Festival report was reviewed.

D3. Parks. Michael Trigg presented his written report.

Commissioner Foley asked about the tree removals due to the Emerald Ash Borer disease.

Mr. Trigg stated that many trees are being taken down in preparation for tree planting. He is still getting quotes from contractors for some of this work, but several of the bigger trees needed to be outsourced because the Park District does not have the staff or equipment to cut down the larger trees.

Commissioner Bridges asked if the bid for 108 trees, which will be reviewed later in the meeting, included removal of the trees.

Mr. Trigg advised that the bids were just for planting 108 new trees.

Commissioner Bridges asked why the staff doesn't do more of the planting.

Mr. Trigg advised that because of the quantity (108 trees) the trees needed to be planted in a very short period of time that it was important to get outside help. This was also necessary in order to comply with the terms of the grant.

D4. Superintendent of Recreation. Jay Lerner submitted his written report, which included a report on the Very Special Arts Festival and the Live Green Family Festival.

Commissioner Foley commented that she had received several positive comments from residents and health club members who appreciated staff's efforts during a recent basketball tournament to ensure that there was parking for the health club members, and once the lot was filled, visitors for the tournament were directed to overflow parking.

Commissioner Sarocka asked if the repairs were completed to the health club and fitness center from the recent flooding caused by the misuse of the sauna's thermostat.

Mr. Lerner explained that yes, all the repairs were made, and that adjustments have been made to the thermostat to prevent a recurrence.

Commissioner Sarocka also asked about efforts to fill a recently vacated position.

Mr. Lerner advised that over 50 applications have been received and the deadline to submit applications has not closed.

Commissioner Bridges asked Mr. Lerner if he thought staff was being over-extended, particularly in light of comments received on a recent exit interview. He also asked if this was in any way connected to the recent report from the Hey Group concerning salaries.

Mr. Lerner and Mr. Petry advised that the Hey & Associates report had nothing to do with the comments of the employee who recently left. Mr. Lerner explained that there are still some ongoing efforts to streamline responsibilities and he pointed out that eight people are performing jobs that are relatively new positions for

them and that they are still moving up the learning curve on some of their responsibilities and how to perform more efficiently.

Mr. Lerner expressed his opinion that the person who made the comment in his exit interview was not as organized as he should have been to handle his position, but overall he did not think that employees are over-extended.

VI. Review, Discuss, Decide

A. Interfund Transfers

<u>Fund</u>		
Memorial Endowment Fund #43 (16-11-11-583-9999)	2,660.50	
Recreation (02-97-24-473-9999)		2,660.50

Purpose: Bowen Park Rangers and Belvidere Park Explorers Camp Scholarships.

<u>Fund</u>		
Memorial Endowment Fund #43 (16-11-11-583-9999)	239.00	
Recreation (02-97-78-473-9999)		239.00

Purpose: Camp Little Fort Scholarships.

<u>Fund</u>		
Memorial Endowment Fund #43 (16-11-11-583-9999)	530.50	
Recreation (02-97-81-473-9999)		530.50

Purpose: Teen Quest Camp Scholarships.

Motion by Commissioner Sarocka, seconded by Commissioner Foley, to approve the interfund transfers as presented. Roll call to the motion: Ayes: Kilkelly, Foley, Sarocka, Bridges and Duffy. Nays: None. Absent: None. Motion carried unanimously.

B. Authorization to Receive and Review Proposals

▪ Parks

➤ Bowen Playground Repairs. **Motion by Commissioner**

Foley, seconded by Commissioner Kilkelly, to approve the bid of Dynamo Industries of Ontario, Canada, in the amount of \$11,550 to repair the Bowen Park Spider Climber.

Discussion on the motion:

Commissioner Kilkelly asked what the projected useful life was for the Spider Climber.

Mr. Trigg advised 10-15 years is average, but that this particular piece of equipment receives far greater use than many other pieces of equipment. The

representatives from Dynamo Industries who visited were surprised at the amount of use and how popular it is with the children.

Mr. Trigg advised that the equipment does not present any hazard but it does need to be repaired as some of the ropes are becoming quite worn.

Commissioner Sarocka asked how old the Spider Climber is and Mr. Trigg advised that it was installed in 2006.

Commissioner Sarocka asked if there was a warranty and Mr. Trigg advised that there was a one year warranty when it was installed but the repairs contain no similar warranty.

Mr. Trigg then showed photographs of some of the worn sports.

Commissioner Kilkelly asked when the repairs would be made and was advised that the repairs would be done in September.

Roll call to the motion: Ayes: Kilkelly, Foley, Sarocka, Bridges, Duffy. Nays: None. Absent: None. Motion carried unanimously.

➤ **Tree Planting in Various Parks. Motion by Commissioner Foley, seconded by Commissioner Sarocka, to approve the bid of Arthur Weiler, Inc. of Zion IL, in the amount of \$27,945 for the planting of 108 trees in various parks.**

Discussion on the motion:

Commissioner Sarocka inquired whether there was a warranty on the trees.

Mr. Trigg advised that there is no warranty and if a warranty had been included it would nearly double the cost of the project.

Commissioner Bridges asked when the work would start.

Mr. Trigg advised that work would start within two weeks and be completed by September 15, 2014.

Commissioner Bridges then asked why no contractors from Waukegan had bid on this project.

Mr. Trigg explained that some of the smaller contractors do not want to pay prevailing wage or meet the other requirements of government bidding. Mr. Trigg also explained how the Park District advertises for bids and always makes an attempt to solicit businesses located within the boundaries within the Park District.

Commissioner Bridges asked if Park District employees could have done some of this work even if it meant paying them overtime, as he favors seeing either Waukegan businesses or Park District employees earn the money from such a project.

Mr. Trigg and Mr. Petry explained that in order to qualify for the grant, all the work had to be done by the middle of September and there simply was not sufficient time to have Park District employees do this.

Commissioner Bridges stated that he is just trying to see that business stays local.

Roll call to the motion: Ayes: Kilkelly, Foley, Sarocka, Duffy. Nays: Bridges. Absent: None. Motion carried 4-1.

➤ Tennis and Basketball Court Renovations. **Motion by Commissioner Sarocka, seconded by Commissioner Bridges, to approve the bid from 10-S Court Solutions of Lake Forest IL, in the amount of \$41,019 for the tennis and basketball court renovations at Upton, Belvidere and Ben Diamond parks, which would also include a Pickleball court. Roll call to the motion: Ayes: Kilkelly, Foley, Sarocka, Bridges, Duffy. Nays: None. Absent: None. Motion carried unanimously.**

➤ Bowen Park Morrison Shelter Renovation/Ravine Enhancement/Expansion Project with CAG. **Motion by Commissioner Sarocka, seconded by Commissioner Foley, to approve the contract with Hey & Associates in the amount of \$17,500 for final engineering of the Bowen Park Morrison Shelter Renovation/Ravine Enhancement/Expansion Project.**

Discussion on the motion:

Commissioner Sarocka asked if the Morrison Endowment would be available to offset some of the costs.

Mr. Trigg explained that when we have the bids from the contractors for the actual renovation work and not just the engineering, that some of the Morrison funds may be used to complete the repairs.

Roll call to the motion: Ayes: Kilkelly, Foley, Sarocka, Bridges, Duffy. Nays: None. Absent: None. Motion carried unanimously.

➤ Hitchcock Design Group Proposal for Clearview Park - OSLAD Grant Project Services. **Motion by Commissioner Sarocka, seconded by Commissioner Foley, to approve the contract with Hitchcock Design Group in the amount of \$185,750 for landscape architecture services for design and construction of the improvements at Clearview Park under an OSLAD grant.**

Discussion on the motion:

Commissioner Sarocka asked about the terms of the grant.

Mr. Trigg advised that there is a \$400,000 grant which requires matching funds from the Park District.

Commissioner Bridges asked if the \$185,750 fee included all fees and costs. Pursuant to the contract those would be included.

Roll call to the motion: Ayes: Kilkelly, Foley, Sarocka, Bridges, Duffy. Nays: None. Absent: None. Motion carried unanimously.

C. Mid-Year Service Level Changes

▪ Human Resources. **Motion by Commissioner Foley, seconded by Commissioner Kilkelly, to approve a full-time Human Resource clerical position with an anticipated hiring range at \$24,000-\$30,000 annually; to reduce the part-time Finance & Administration Clerk position from four days to three days per week; and to make the Human Resource & Payroll Coordinator position a Human Resource & Payroll Specialist position with a grade level of 12-13, as recommended by the Hay Group. Roll call to the motion: Ayes: Kilkelly, Foley, Sarocka, Bridges, Duffy. Nays: None. Absent: None. Motion carried unanimously.**

▪ Community Relations. **Motion by Commissioner Bridges, seconded by Commissioner Sarocka, to approve the request made by Theodora Anderson to combine the Communications Coordinator position and the Database Clerk position, previously authorized in the budget, and to hire a Coordinator to focus on writing, social media, and electronic communications who is fluent in both English and Spanish with an anticipated hiring range of \$36,000 - \$40,000 annually. Roll call to the motion: Ayes: Kilkelly, Foley, Sarocka, Bridges, Duffy. Nays: None. Absent: None. Motion carried unanimously.**

D. FY 2014-15 Amended Salary Schedule. **Motion by Commissioner Foley, seconded by Commissioner Kilkelly, to approve the FY 2014-15 Amended Salary Schedule with amendments for Communication Specialist for Community Relations and Human Resource and Payroll Specialist. Roll call to the motion: Ayes: Kilkelly, Foley, Sarocka, Bridges, Duffy. Nays: None. Absent: None.**

E. FY 2013-14 Audit Draft.

VII. Closed Session.

Motion by Commissioner Sarocka, seconded by Commissioner Bridges, to recess the regular meeting to enter into executive session pursuant to 5 ILCS 120/2(C)(5), purchase of real property. Roll call to the motion: Ayes: Kilkelly,

Foley, Sarocka, Bridges, Duffy. Nays: None. Absent: None. Motion carried unanimously. Meeting adjourned into executive session at 7:00 p.m.

Following executive session, **motion by Commissioner Foley, seconded by Commissioner Sarocka, to resume regular session. Roll call to the motion: Ayes: Kilkelly, Foley, Sarocka, Bridges, Duffy. Nays: None. Absent: None. Motion carried unanimously.** Regular session resumed at 7:05 p.m.

VIII. Commissioner Questions.

Commissioner Sarocka stated his opinion that he believed that many golfers boycotted the Grill and Chill event because of dissatisfaction carried over from the previous year.

Mr. Petry stated that he disagreed and that part of the reason the event was not well attended was because GolfVisions did not do a very good job of advertising the event.

Commissioner Foley stated that she was pleased with the Field House staff in handling traffic during the recent basketball tournament.

Commissioner Bridges thanked staff for their enthusiastic work and he emphasized that his comments during the meeting concerning the trees only reflected his desire to see that Waukegan businesses and employees of the Park District have the best opportunity to receive compensation from Park District funds for work.

Commissioner Bridges also commented on the fine job that Claudia Freeman is doing with the Hispanic cultural arts efforts.

Commissioner Kilkelly had no comment.

President Duffy commented that in his observation when the golf course is hosting \$1 taco event that people are abusing the honor system and taking more ingredients than would be warranted for one taco and only paying \$1.

President Duffy also commented that he believes that when renovations are done at the Bonnie Brook bathroom that the changing table and towels can be placed flat against the wall.

IX. Adjournment.

Motion by Commissioner Sarocka, seconded by Commissioner Bridges, to adjourn. Motion carried unanimously. Meeting adjourned at 7:13 p.m.

Attendance recorded per policy. All commissioners were present.

Respectfully submitted,

Charles W. Smith
Board Secretary