

**Minutes of the Waukegan Park District
Meeting of the Board of Commissioners
August 14, 2012**

The Board of Commissioners of the Waukegan Park District met in a regular meeting on August 14, 2012 in the Rose Administrative Center, 2000 Belvidere Street, Waukegan, Illinois.

I. Call to Order

The meeting was called to order at 4:00 p.m. by President Sarocka who directed a call of the roll.

II. Roll Call

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

III. Consent Items

- A. Minutes
 - July 10, 2012 - Board of Commissioners Meeting
 - July 24, 2012 - Committee of the Whole Meeting
 - July 25, 2012 - Special Board Meeting
 - July 26, 2012 - Special Board Meeting
 - August 9, 2012 - Special Board Meeting
- B. Bills
- C. Payroll
- D. Financial Statements

Motion by Commissioner Foley, seconded by Commissioner Motley, to approve the Consent Items and to pay the bills as presented.

Commissioner Kilkelly raised a question concerning the July 10, 2012 Minutes. Section VI (A) was corrected to show that Commissioner Kilkelly asked whether or not there were any vending machines at the Sports Park, striking the reference to Milans.

Committee of the Whole Minutes from July 24, 2012 concerning Public Comments were corrected to show that Sally Coffelt lives in Waukegan IL and corrected the spelling of Steve Lund's name.

Commissioner Foley amended her motion to approve the Minutes as presented to include the corrections, seconded by Commissioner Motley. Roll call to the motion: Ayes: Duffy, Motley, Foley, Kilkelly, Sarocka. Nays: None. Absent: None. Motion carried unanimously.

IV. Public Portion

David Glaser, 2614 Greenwood, Waukegan, questioned whether the commissioners has visited any of the courses mentioned by the three golf management companies who had submitted proposals to the Park District. He strongly urged the commissioners to visit the courses operated by these golf management companies before making any decision on going forward with golf management.

Staff advised that there has been no decision to select any contractor for golf management as of yet.

Jim Dieck, 2332 S. Bonnie Brook, Waukegan, stated his opposition to outside golf management for the golf courses. Mr. Dieck stated that he has been a member of Bonnie Brook since 1975 and is happy with the course as it is currently operated. He urged the Board not to overlook the concerns expressed by the patrons of the Bonnie Brook golf course.

Rich Seremak, 1902 North Avenue, Waukegan, stated that in his opinion the Board was being presented an option of having a management company to oversee golf operations and all employees associated with golf, or an option of having a management company oversee food operations. He stated his opposition to any Park District employee being let go and asserted that of the proposed savings that could be realized by hiring an outside management company, approximately \$150,000 will come from reduced costs and approximately an additional \$100,000 savings from not paying IMRF and FICA for terminated employees. He stated his opinion that even if these numbers are reduced, other levies will be increased. Mr. Seremak pointed out that the rounds of golf have steadily increased from 2008 to 2010 and projected that they would go higher in 2012. He stated that this was due mainly to the efforts of Greg Benson, Tony Tinetti, and Mike Steele.

Sally Coffelt, 2942 Forest Lane, Waukegan, addressed the Board and stated that she is president of the women's golf league at Bonnie Brook. She opposes any changes to the current operation of the golf courses as she does not think that an outside group can improve the current condition or operations of the golf courses.

President Sarocka spoke against the management companies as he views it as eliminating jobs. He stated that the course operation is not broken and therefore does not need to be fixed. He praised the Board for having expended \$700,000 for a deep well, which turned out to be a good investment; \$1M irrigation project, and a \$1M renovation to the club house and \$300,000 for new golf carts as all indications that the Park District has invested heavily in the golf operations and should not turn over the operation of these assets.

Claudia Freeman introduced Lola Chevreau, an intern student from France who has been working with Ty Rohrer at the Haines Museum.

V. Progress Reports

A. Executive Director. Greg Petry submitted a written report and advised that the Park District has been reviewed for national accreditation. If so recognized, the Waukegan Park District would become only the third park district in Illinois to receive the accreditation.

Commissioner Foley stated that she wanted to again praise the video produced for the national conference and particularly wanted to recognize Teddy Anderson for her efforts in the production of the video.

B. Attorney. Charles Smith had no report for the Board.

C. IAPD/Legislation Update. No report given.

D. Division Reports.

D1. Finance & Administration. Jim Glogovsky presented his written report and advised that Standard & Poors has recently reaffirmed the Park District's AA bond rating. This is significant in obtaining the best possible rates for refinancing and indicates good management by the Park District, since many municipalities have had their Standard & Poors ratings reduced.

D2. Cultural Arts. Claudia Freeman submitted her written report. She advised that the last production of the Bowen Blues is scheduled for August 15, 2012 and the last outdoor movie is scheduled for August 17. Ms. Freeman also provided the Board with a mock up ad for the inside cover of the phone book advertising the cultural activities available through the park district.

D3. Parks. Michael Trigg presented his written report. President Sarocka asked when the 18th tee at Bonnie Brook will be ready. Mr. Trigg will look into this and respond back to President Sarocka.

D4. Recreation. Alicia Mentell submitted a written report and advised that the day camps end on August 17 and that Ganster Pool will close on August 19. The commissioners asked about attendance at Ganster Pool and she stated that attendance was up due in part to the free Friday swims.

Commissioner Kilkelly had a question concerning Julie Schneider's report relative to a provision in the Illinois Administrative Code.

Mr. Petry advised that this Code does not apply to the Park District as it is not receiving funds.

Commissioner Kilkelly asked questions regarding the Eggstravaganza report.

President Sarocka advised that the commissioners had visited approximately 18 aquatic sites in an effort to research the best possible facilities for a new aquatic site for the park district.

VI. Review, Discuss, Decide

A. Interfund Transfers.

<u>Fund</u>	<u>From</u>	<u>To</u>
Memorial Endow. Fund #51 (16-11-11-583-9999)	1,000.00	
Recreation (02-97-81-473-9999)		\$1,000.00

Purpose: IAPD Power Play Grant funds used to implement the Wise Kids Outdoors program at summer camps.

<u>Fund</u>	<u>From</u>	<u>To</u>
Memorial/Endow Fund #43 (16-11-11-583-9999)	\$1,601.00	
Recreation (02-97-24-473-9999)		\$1,601.00

Purpose: Bowen Park Ranger Camp scholarships.

<u>Fund</u>	<u>From</u>	<u>To</u>
Memorial Endow. Fund #43 (16-11-11-583-9999)	\$125.00	
Recreation (02-97-78-473-9999)		\$125.00

Purpose: Camp Little Fort scholarships.

<u>Fund</u>	<u>From</u>	<u>To</u>
Memorial Endow. (#25 PIP)(16-11-11-583-9999)	\$4,571.91	
Recreation (02-26-51-473-9999)		\$3,020.00
Recreation (02-26-62-473-9999)		\$1,551.91

Purpose:
To cover expenses for the 2012 Partners in Parks golf outing.

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

B. Memorial Bench and Tree for Eric Knutsen. Mr. Petry asked the Board to consider approving a memorial bench and tree in memory of Eric Knutsen, who died unexpectedly. **Motion by Commissioner Motley, seconded by Commissioner**

Foley, to approve the construction of a memorial bench and the planting of a tree in honor of Eric Knutsen, and to invite his family to the dedication when completed. Roll call to the motion: Ayes: Duffy, Motley, Foley, Kilkelly, Sarocka. Nays: None. Absent: None. Motion carried unanimously.

C. Trinity United Lutheran Church. Mr. Trigg presented a request from the Trinity United Lutheran Church for use of the Janet Morrison Picnic Center at Bowen Park on August 19 for a small outdoor worship service and picnic. **Motion by Commissioner Foley, seconded by Commissioner Kilkelly, to approve Trinity United Lutheran Church's request. Motion carried unanimously.**

D. Permission to Accept Bids for Concrete Work
➤ Plonien Park Playground. **Motion by Commissioner Foley, seconded by Commissioner Motley, to approve the low bid of Car-Min Construction in the amount of \$13,773.20 for concrete work at Plonien Park. Roll call to the motion: Ayes: Duffy, Motley, Foley, Kilkelly, Sarocka. Nays: None. Absent: None. Motion carried unanimously.**

➤ Roosevelt Park Restroom Building. **Motion by Commissioner Foley, seconded by Commissioner Duffy, to approve the low bid of Car-Min Construction in the amount of \$11,100.00 for concrete work for the Roosevelt Park Restroom Building. Roll call to the motion: Ayes: Duffy, Motley, Foley, Kilkelly, Sarocka. Nays: None. Absent: None. Motion carried unanimously.**

E. Fiscal Year 2011-12 Audit Draft. Mr. Glogovsky reviewed the draft audit report with the Board. Highlights included the profile of the Waukegan Park District, which has not changed significantly from prior audit years. The report found no problems with the finances of the park district and that the park district is acting in accordance with accepted accounting practices.

Management discussion and analysis was reviewed. Revenue remains strong and long term debt is decreased. Assets have increased by approximately \$2M and fund balances have increased.

Mr. Glogovsky reviewed the revenue and expenses of various operations, including the loss of \$51,248 in golf operations.

President Sarocka asked questions concerning revenue from the FieldHouse and the expenses and the losses incurred there.

Commissioner Duffy asked that the commissioners be provided a break down of revenue and expenses from the FieldHouse, separate and apart from the revenue and expenses associated with the fitness center.

Commissioner Kilkelly asked further questions regarding the accounting for the FieldHouse.

Mr. Glogovsky explained how the revenue is accounted for.

Commissioner Motley made a point of the overall effect of the FieldHouse and the SportsPark on the County economy and asked as to whether Mr. Glogovsky could provide any figures concerning this economic impact.

Mr. Glogovsky stated that he did not have exact figures and that he would talk with the Convention Bureau regarding those figures.

Mr. Petry explained that the recent National Soccer tournament brought in an estimated \$3M in revenue into the Lake County area.

The audit will be in final form for the September 2012 meeting.

President Sarocka asked that Mr. Glogovsky look at page 38 of the draft audit regarding contract services and asked for greater detail concerning these amounts.

F. Golf Management Recommendation. Mr. Petry made a presentation concerning the five month review of golf operations and recommended that based on staff's analysis, that a golf management contractor be hired. The advantages and disadvantages of a management contract was reviewed. Staff pointed out that the direct expenses for golf exceeded revenue by approximately \$51,000 in the past year. Three management companies that have submitted proposals are suggesting an approximate \$230,000 turnaround if their company was hired. Mr. Petry suggested that greater efficiencies would be achieved by the hiring of a good management company. **Motion by Commissioner Kilkelly, seconded by Commissioner Foley, to procure the services of a golf management company and to begin negotiations to develop a contract that meets the needs of golf operations for the Waukegan Park District.**

Discussion on the motion:

Commissioner Duffy stated that staff and the commissioners have been reviewing this matter for five months. He wants to be sure that any contractor addresses the quality of the golf course, and if a golf management company is approved, the contract is to include specific provisions concerning the quality of how the course will be maintained. Commissioner Duffy also stated that he wants a "kick-out" or cancellation clause that if the park district is unsatisfied with the operation of the course by the golf management company, that the park district has either a 60 or 90 day right to cancel the contract.

Commissioner Foley stated that she wants to be sure that the needs of both golf courses, Greenshire and Bonnie Brook, are addressed in any documents.

Commissioner Motley addressed the concerns of citizens about a management company and stated that he will try and do the right thing and see that the golf management company produces a economic benefit to the park district and that the courses are maintained at the same high standards as they currently are.

Commissioner Foley stated that there have been three options discussed by the staff and that she has listened to and studied these comments. She stated that it is wrong to say that the employees will be terminated because the golf management company will be required to offer positions to any of our employees. She cited her experiences as a member of the school board when faced with a similar situation regarding outsourcing food service. The School District insisted that positions be offered by the new company to all current school district employees, which was done.

Commissioner Kilkelly expressed her concern for the future of golf and is looking at the revenue stream. She wants to be sure that there is money for golf and improvements to the course. She has reviewed the information provided by staff and suggests that the park district try hiring a professional management company and make use of its expertise in bettering the course.

President Sarocka handed out an email with a list of employees who work with golf maintenance. He stated that Greg Benson runs a great crew who do a good job maintaining the course. He then reviewed the number of years of experience of these employees, which range from three to 16 years, with most being with the park district for 8-10 years. He set forth his position that hiring a golf management company will cause the park district to lose valuable employees and that in his opinion the conditions of the course could suffer. He stated that the park district is not supposed to make money, but only to provide services to constituents. He further stated that in years past the park district has been concerned about employees unionizing and that actions such as are being proposed could cause employees to want to unionize.

Commissioner Motley stated that he has always favored unionization, but employees have not done so because of the care and professionalism shown by Greg Petry in taking care of them. He shares the concerns expressed by President Sarocka that employees may lose their jobs, but he sees an opportunity for the park district employees to continue working and a greater revenue stream for the park district. Commissioner Motley stated that he has taken into consideration all the comments he has received and he has based his decision to favor golf management because he believes that it is in the best of the community as a whole. He will not support a management company that will not keep the courses in their current high standard of condition.

President Sarocka stated that golf management is not there to do the park district any favors but they are going to try and make a profit and he wants the salaries of the employees protected.

Commissioner Kilkelly asked to call the question roll call: Ayes: Duffy, Motley, Foley, Kilkelly. Nays: Sarocka. Absent: None. **Motion by Commissioner Kilkelly, seconded by Commissioner Foley, to direct staff to contract with a consultant to assist in the development and evaluation of a contract for a golf management company. Roll call to the motion: Ayes: Duffy, Motley, Foley, Kilkelly. Nays: Sarocka. Absent: None. Motion carried.**

G. Community Assessment Survey Presentation

➤ Kim Wallace presented a review of the Community Assessment Survey. The material provided to the commissioners was based only on responses received via the internet; a mail survey is also being conducted.

Commissioner Duffy commented that the survey results are fine but the email responses did not reach the large minority population of the city of Waukegan, which is indicated by the fact that 74.9% of the respondents were Caucasian.

Commissioner Motley suggested that venues such as the Lovinger indoor soccer facility might be a good way to interview people and obtain their opinions.

VII. Closed Session.

Motion by Commissioner Foley, seconded by Commissioner Kilkelly, to adjourn into executive session to discuss land acquisition and personnel matters, 5 ILCS 120/2(C)(5) and 5 ILCS 120/2(C)(1). Roll call to the motion: Ayes: Duffy, Motley, Foley, Kilkelly, Sarocka. Nays: None. Absent: None. Motion carried unanimously. Meeting adjourned at 6:00 p.m.

Following executive session, the Board reconvened at 6:15 p.m.

VIII. Commissioner Questions.

Commissioner Motley stated that he was saddened by the nature of some of the public comments concerning the golf management company.

Commissioner Kilkelly congratulated Teddy Anderson on producing the excellent video on the Waukegan Park District. She further believes that the golf management concept is one that will be beneficial to the park district.

Commissioner Foley had no comment.

President Sarocka stated that he made all his comments relative to golf management earlier.

IX. Adjournment.

Motion by Commissioner Duffy, seconded by Commissioner Kilkelly, to adjourn. Motion carried unanimously. Meeting adjourned at 6:17 p.m.

Respectfully submitted,

Charles W. Smith
Board Secretary