

**CHAMPAIGN PARK DISTRICT
MINUTES OF THE SPECIAL MEETING
BOARD OF PARK COMMISSIONERS**

January 28, 2015

The Champaign Park District Board of Commissioners held a Special Board Meeting on Wednesday, January 28, 2015 at 5:30 p.m. at the Bresnan Meeting Center, 706 Kenwood Road, Champaign, Illinois, pursuant to notice duly given. President Petry presided over the meeting.

Present: President Joseph Petry, Vice President Alvin S. Griggs, Commissioners Barbara J. Kuhl, Jane L. Solon, and Timothy P. McMahon, Treasurer Gary Wackerlin and Attorney Guy Hall.

Staff present: Joseph DeLuce, Executive Director, Cindy Harvey, Assistant to the Executive Director/Board Secretary, Andrea Wallace, Director of Finance, Kevin Crump, Director of Operations and Planning, Megan Kuhlenschmidt, Director of Recreation and Marketing, Jameel Jones, Director of Cultural Arts, Tammy Hoggatt, Director of Human Resources, Information Technology and Risk, and Stacey Cornell, Administrative Specialist.

Several members of the public were in attendance.

Call to Order

President Petry called the meeting to order at 5:32 p.m.

CPD Highlights

Vice President Griggs reported the Park District won several awards at the annual Illinois Association of Park Districts (IAPD)/Illinois Park and Recreation Association (IPRA) conference (Overall Agency Showcase Display – Third place; Agency Showcase Display – Third place; Logo Design – Second place; and Print Communication – Third place). He congratulated staff for a job well done. Vice President Griggs was impressed with the number of staff attending the conference and of staff who were presenters. He congratulated President Petry who concluded his term as chairman of the IAPD Board of Trustees.

President Petry commented it was pleasing to see younger staff getting experience at the conference. He enjoyed being IAPD chairman of the Board of Trustees. President Petry thanked his fellow commissioners, Mr. DeLuce, and Ms. Harvey for supporting him in that endeavor.

Commissioners Solon and McMahon arrived at 5:34 p.m.

Financial Advisory Committee Update

Discussion of Future General Obligation Bond Issuances

Ms. Wallace introduced members of the Financial Advisory Committee in attendance: Richard Schnuer – City of Champaign Finance Director; Mike Murphy – retired investor; and Don Armstrong – Northwestern Mutual Wealth Management Advisor. Other committee members unable to attend were Allan Penwell, Busey Bank Senior Vice President, and Stu Meacham, Cozad Asset Management Chief Operating Officer. Ms. Wallace also reported that Deanna Kuester, formerly with Martin, Hood, Friese and Associates, was on the committee but took another position and was unable to continue. Mr. Murphy acknowledged Mr. Wackerlin for keeping the committee on task. He also thanked Ms. Wallace and Mr. DeLuce for providing

relevant information provided to the committee. One of the committee's tasks was to propose alternatives for the short term cash balances. Their primary suggestion was to fully fund the Park District's pension obligation. Mr. Murphy reported the Park District has 30-40 various short term obligations which are not earning much money and keeping track of them is administratively time consuming. It was suggested to build laddered investments in bonds or certificates of deposit over time. The committee investigated the Park District borrowing short term money, and it appeared to be borrowing more than it was contractually obligated to do. By reducing the amount borrowed, the Park District would be saving that amount of money. The committee discussed the importance of having enough money on hand to meet ongoing operations and having the cash consistent with the strategic plan. The committee also encouraged a long term approach because the Park District would be better served than having more in short term funds. He also noted the funding status of the Park District's pension obligation.

President Petry thanked the committee for its time and support.

Comments from the Public

Glenn Rasmussen, 802 West Healey Street, Champaign, addressed the Board regarding the McKinley Aquatic Center. He commented that a future Park District indoor pool is the only potential relief from the loss of the McKinley Aquatic Center. McKinley has 150 memberships that would not be served in any way on a daily basis by the Park District.

Tammy Belanger, Ludlow, addressed the Board regarding the McKinley Aquatic Center. She stated she is the water aerobics instructor at the facility. Ms. Belanger appreciated the Park District taking the time to seriously look at the request to take over the building. She asked the Board to find a creative way to keep the facility open for those who have no other option.

Roger Inman, 510 West Clark Street, Champaign, addressed the Board regarding the McKinley Aquatic Center. He commented many people could be served by the McKinley Aquatic Center pools. He stated that with marketing and refurbishment the membership could grow to more than the current 150. Mr. Inman urged the Board to look at the needs of people and how the Park District could meet the needs of potentially many more.

Karen Allen, 704 West Hill Street, Champaign, addressed the Board regarding the McKinley Aquatic Center. She commented that the McKinley Aquatic Center was a hub of the community and could be made an intergenerational facility. Ms. Allen stated old buildings cannot be replaced and modern ones may not be able to serve the needs of the community. She suggested putting in a coffee shop or smoothie bar and market the facility to a wide spectrum of patrons. In her opinion, the Park District could set an example with an intergenerational facility.

Cathy Harper, 604 West Washington Street, Champaign, addressed the Board regarding the McKinley Aquatic Center. She suggested opening the McKinley warm water pool to the senior age group. Ms. Harper asked the Board to re-examine the budget for it.

Dean Ekberg, 1615 East Lake of the Woods Court, Mahomet, addressed the Board regarding the McKinley Aquatic Center. He commented it is an excellent facility and well built. Mr. Ekberg urged the Board to consider giving residents access to the facility in the form of memberships.

President Petry thanked all individuals for their comments.

Old Business

Action on the McKinley Aquatic Center

Mr. DeLuce introduced Matt Freeby from Water Technology, Inc. Mr. Freeby was scheduled to visit Champaign to participate in the Spalding Park Master Plan Update and Mr. DeLuce asked him to tour the McKinley Aquatic Center. Mr. Freeby shared his comments on the McKinley Aquatic Center based on a one hour walk through of the facility. He noted that his firm averages 35 pool evaluations per year. In his opinion, the recovery cost in the original report of \$245,000 was under budgeted by \$300,000-\$500,000. The cost to bring the pools up to current state codes is significant. A major challenge is the pools accessibility compliance.

Mr. DeLuce presented an inspection report from the Illinois Department of Public Health (IDPH) that was performed on January 28, 2015. It did not address the failing filter system for the large pool. The inspector was doubtful that the system could keep up and maintain water clarity with an increased bather load.

Ms. Kuhlenschmidt reviewed the information in the staff report regarding peak hours of use at the McKinley Aquatic Center and the Stephens Family YMCA. A bare minimum schedule operating McKinley to Park District standards was projected to cost \$65,970 monthly.

Mr. DeLuce provided follow up on the Board's inquiry regarding a crack in the pool that was repaired when the YMCA owned the building. A former YMCA employee was contacted. They were aware of the crack but did not know how much it cost to fix it. Mr. DeLuce reported that if the facility closed and the Park District took it over, it would have to meet current codes including the cost to update the facility so that it meets ADA, City of Champaign building codes, and IDPH permit standards, established at \$1,122,000. He also addressed the Board's query if there were any alternatives to a lease or purchase of the facility. Purchasing memberships was presented as an option. However, Mr. DeLuce stated there were liability concerns with purchasing memberships. He stated the tax subsidy would be \$300,000-\$400,000 per year which equates to \$1,500-\$2,000 per user per year for 200 members. As a comparison, the Leonhard Recreation Center subsidy will be approximately \$75 per year based upon 1,300 members.

It was the consensus of the Board not to purchase or lease the facility. Discussion ensued regarding the Park District purchasing passes. Commissioner McMahon commented that purchasing passes was the only viable option but wondered if it would be enough to keep the facility open. He thought it would be good to utilize the facility in Park District programming for seniors and youth. Mr. DeLuce stated a \$5,000 per month cash flow would help the current owner. Commissioner Kuhl stated concerns regarding selling memberships to a facility that does not use lifeguards and is thus not up to Park District standards. Commissioner Solon also expressed concerns regarding safety. She wondered what the Park District's liability would be for purchasing memberships and she expressed concern about other businesses approaching the Park District for financial assistance. Mr. DeLuce commented safety is an issue for staff. He did not feel it was a feasible facility to make work for the Park District. Discussion ensued.

Commissioner Kuhl made a motion to decline any collaboration, acquisition or leasing of the McKinley Aquatic Center. The motion was seconded by Vice President Griggs. The motion passed 4-1 with Commissioner McMahon opposed.

Approval of New Updated Park District Logo

Ms. Kuhlenschmidt presented the staff report and responded to questions from the Board. She stated the previously approved new logo was shared in the newspaper and generated

constructive criticism from staff. When the new website was launched, an updated “refreshed” version of the current logo was included. Feedback from marketing professionals regarding the refreshed logo was positive. It maintains the Park District’s “tree” brand recognition.

Commissioner Kuhl expressed concern about the issue of communication. A new logo was previously approved by the Board and then changed without any communication to the Board. Mr. DeLuce responded that any future matters brought before the Board for consideration would be brought back to the Board for final consideration.

Commissioner Kuhl made a motion to approve the updated logo for distribution and release. The motion was seconded by Commissioner Solon. The motion passed 5-0.

Approval of Patient Protection and Affordable Care Act (PPACA) Policies

Ms. Hoggatt presented the staff report and responded to questions from the Board. She stated due to the large number of seasonal and part-time staff the Park District employs, a one year initial measurement period was found to be in its best interest. After the measurement period, an employer can take an administrative period to enroll all eligible employees. A stability period follows in which employees must be offered coverage if they were determined to be eligible during the measurement period. Initial measurement periods for new hires will be the first of the month following their date of hire. The current Park District definition of a full-time employee is one who works 37.5 hours or more per week. Under PPACA, employees who are scheduled to work 30 hours plus per week would be considered full-time. Ms. Hoggatt outlined the proposed changes in current employee classifications with Full-Time becoming Full-Time I; Regular Part-Time becoming Full-Time II and receiving health insurance due to PPACA mandate; Year Round Part-Time 19 Plus becomes Part-Time I; Part-Time 19 becomes Part-Time II; and Seasonal remains the same. There are ten additional current employees who qualify for health insurance under the PPACA regulations. One was “grandfathered” into the health insurance and one is a Champaign-Urbana Special Recreation employee.

Ms. Hoggatt presented options for providing health insurance to eligible staff. One option would be to put the ten employees on health insurance. These positions would be re-evaluated if staff leave to determine if they could be 29 hours or less. She reported an opt-out stipend could be done through a tax exempt cafeteria plan. Another option presented took advantage of the 2015 special transition rule. The Park District would only need to cover 70% of qualifying employees. If the ten current qualifying employees were insured, the Park District would be at 85%. If an employee is able to sign up for coverage on the exchange and qualifies for a subsidy, the Park District would be fined \$2,000 per full-time employee after the first 80. Ms. Hoggatt stated that the ten employees will be asked to sign an acknowledgement that they could lose the health insurance benefit if they do not continue to meet criteria.

Commissioner Kuhl made a motion to approve the measurement period for a one year period beginning February 1, 2014 and ending January 31, 2015 followed by a one month administrative period from February 1 to February 28, 2015 and a stability period of one year beginning March 1, 2015; the proposed employment policy change in employee classifications as written on attachment A which includes Full-Time I, Full-Time II, Part-Time I, Part-Time II, and Seasonal positions; and the addition of health benefits for 10 staff members who are currently working in the Regular Part-Time classification to comply with PPACA regulations beginning March 1, 2015. The motion was seconded by Vice President Griggs. The motion passed 4-1 with Commissioner McMahon opposed.

Discussion Items

Spalding Park Master Plan Update

Mark Ritz and Caleb Walder from BLDD Architects, presented a Spalding Aquatic Center feasibility study and responded to questions from the Board. Mr. Ritz reported BLDD is consulting with Mr. Freeby and Water Technology, Inc. on the plan. The components of the aquatic center plan include a leisure pool, lap pool and therapy pool with a goal to be a multi-generational facility. Mr. Walder gave an overview of the design that included a leisure activity pool, lap pool, therapy pool, indoor play area, cardio fitness area, party or team rooms, locker rooms, and a regulation high school size gym. Mr. Freeby stated the importance of having a three pool solution (recreation, competitive or wellness, and therapy) to meet the needs of a community. The recreation pool had a zero depth entry, activity pool, two lap lanes, lazy river, and a tube water slide. The water temperature would be 86-88 degrees. He stated running the tube slides outside the building saves on space. The lap pool proposal has eight, 25 yard lanes with a one meter springboard on one end for diving. A 50 meter pool is optional. The therapy pool water temperature may vary depending on the therapy and is designed for one on one therapy. Mr. Ritz stated the base project costs related to the building were \$10,587,000. Adding a gym and cardio would be another \$2 million. The cost for increasing from a 25 yard pool to a 50 meter is \$3,200,000. Mr. Freeby stated the maintenance costs are typically double to run a 50 meter pool compared to a 25 yard pool. UV filtration was included which enhances air quality and uses less chlorine than other systems. He stated if a 50 meter pool is built the subsidy would be six figures yearly. Mr. Walder presented a review of the recreation centers presented at a previous Board meeting. Option #1 was a two floor 30,000 square foot building having a projected estimate of \$5,200,000. Option #2 was a one story 20,000 square foot facility with a \$3,500,000 project cost.

President Petry thanked Mr. Ritz, Mr. Walder and Mr. Freeby for their presentation.

Old Business

Action for Debt Service Levy Abatement

Commissioner Solon made a motion to approve a resolution and authorize staff to file the Abatement Certificate for Series 2005 Bond. The motion was seconded by Vice President Griggs. The motion passed 5-0.

New Business

Approval Setting a Public Hearing on the Budget Amendment

Ms. Wallace presented the staff report and responded to questions from the Board. She stated there was an additional \$260,000 in expenditures for fully funding the Illinois Municipal Retirement Fund liability, a \$70,000 overage on Douglass Park improvements, and adjustments for contractals and supplies. The budget amendment and appropriation ordinance will increase expenditures by \$496,582 bringing the amended total to \$19,219,666 for fiscal year 2014-15.

Commissioner Solon stated that there has never been a budget amendment in her ten years on the Board. She hoped this did not become an annual event and would like to see the Park District stay within budget.

Discussion ensued. It was noted that there will be budget transfers at the end of the year.

Vice President Griggs made a motion to set a Public Hearing on the proposed budget amendment for Wednesday, March 11, 2015 at 7 p.m. at the Bresnan Meeting Center to receive public comments. The motion was seconded by Commissioner Solon. The motion passed 5-0.

Discussion Items

Health Insurance for Employees Update

Ms. Hoggatt reported the Benefits Advisory Committee met. Health insurance was bid out and the only viable option was Health Alliance. Initially costs were to increase 8.5%. A few changes were made to the plan such as higher copays and out of pocket maximum. These changes, in addition to using the \$360,000 revenue share, reduced the premium increase to .5%. The plan has been approved by the City of Champaign City Manager and will be presented to the City Council for approval on February 3, 2015.

Comments from Commissioners

Commissioner Kuhl commented she enjoyed being with the staff at the IAPD/IPRA conference in Chicago. She appreciated the planning involved and the excellent job done. Commissioner Solon appreciated the opportunity to attend the conference. It was a great learning experience.

Mr. DeLuce reported there were no items on the agenda for the March 25 Study Session which is the week of spring break. It was the consensus of the Board not to hold the March 25 Study Session Meeting.

It was the consensus of the Board to issue a press release on the McKinley Aquatic Center decision.

Executive Session

Commissioner Kuhl moved as set forth below to convene into Executive Session. The motion was seconded by Vice President Griggs. The motion passed 5-0. Upon roll call vote, the vote was as follows: Commissioner Solon – yes; Commissioner McMahon – yes; Vice President Griggs – yes; President Petry – yes; and Commissioner Kuhl – yes. The Board convened into Executive Session under the Illinois Open Meetings Act, specifically 5 ILCS 120/2(c)(1) for the discussion of the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body, or legal counsel for the public body, 120/2(c)(5) for the purchase or lease of real property for the use of the public body; 120/2(c)(6) for the setting of a price for sale or lease of property owned by the public body, and 120/2(c)(11) pending litigation.

Return to Regular Meeting

Following the adjournment of the Executive Session, the Board reconvened in open meeting.

Adjourn

There being no further business to come before the Board, Commissioner Solon made a motion to adjourn the meeting. The motion was seconded by Vice President Griggs. The motion passed 4-0 (Commissioner McMahon departed during Executive Session at 8:40 p.m.) and the meeting was adjourned at 9:05 p.m.

Approved:

Joseph A. Petry, President

Cindy Harvey, Secretary