

**Glen Ellyn Park District
Board of Commissioners
Workshop Meeting Minutes
April 6, 2010
185 Spring Avenue**

Call to Order

President Hess called the Regular Meeting to order at 7:45 p.m.

Roll Call of Commissioners

Upon roll call those answering present were Commissioners Aubrey, Creech, Kinzler, Minogue, Nephew, Dallman and President Hess.

Staff members present were Executive Director Atwell, Superintendent of Parks Scarmardo, Superintendent of Recreation Esposito, Superintendent of Finance & Personnel Woods, Communication & Marketing Supervisor Talenco, Assistant Superintendent of Recreation Defiglia and Executive Assistant Nejedly. Attorney Adams was also present.

Pledge of Allegiance

President Hess led the Pledge of Allegiance.

Changes to the Agenda

Item VI. Platform Tennis Presentation was removed from the Agenda and will be discussed at a future meeting.

Public Participation

Thomas Waters, 740 Grand Avenue, stated his opposition to artificial turf and spoke to the Board regarding the approval of the Intergovernmental Agreement. He stated that the adopting of artificial turf does not fit in with the Environmental Policy. He expressed concern regarding heat on the turf and stated that the Park District should not have to pay for use when it is extremely hot. He stated that Memorial Field is in such bad shape because it was not properly designed and was poorly maintained.

Superintendent Scarmardo informed the Board that he spoke to Field Turf and reported that they have a machine that recycles 100% of the artificial turf.

Bond Refunding –Speer Financial

Dave Phillips from Speer Financial attended the meeting to explain a bond refunding opportunity of the 2002 Alternate Revenue Bond issue. He explained that part of his company's due diligence is to annually review Bonds on various criteria. He stated that with the current economy the refunding would allow a nominal savings in interest expense due to lower interest rates.

The Board inquired about fees and Mr. Phillips responded that upon acceptance of bid the only fees would be from Speer Financial and the cost savings would cover those fees.

The Board also asked if this was large enough to attract competitive bids and how will the bids be done.

Mr. Phillips responded that it was large enough to attract competitive bids and it would be done low cost on Speer bid platform as opposed to the Speer auction platform. He stated that they have developed their own internal bidding process.

The Board verified that this is just a refinance and are not adding to the overall indebtedness.

Superintendent Woods stated that this will reduce the debt service payments.

Mr. Phillips recommends the refunding and will return in May with bid results.

Ackerman Recap

The Board held a lengthy discussion regarding the updated report provided by Staff. The Board felt that some of the change orders and additional costs that are being discussed tonight should have been included on the December report. The Board stated that they thought the December report was supposed to be a comprehensive list of all capital expenses. The Board also discussed various credits reflected in the report.

Superintendent Woods explained that a credit was not shown on the December report because it was not a credit at that point and some payments were made after the December report was completed.

A discussion ensued regarding Professional Building Services (“PBS”) payments, change orders and omissions to bid documents.

Superintendent Woods verified that the auditors have not found any discrepancies and are looking at any check over \$5,000.

Commissioner Kinzler wanted to verify what PBS was paid a percentage on. Superintendent Scarmardo responded that PBS was paid a percentage based on work completed for that month. He stated that to the best of his knowledge PBS did not charge ten percent on the charge orders. He stated that he will look in to this.

Commissioner Kinzler stated that the Board needs to have good accurate numbers but that the bottom line is, it is not going to change the cost of the project and that all the money has been legitimately paid for services. He stated that the Board is not saying that someone was paid for work they did not do.

The Board asked if the amount to be paid by WDSRA is for construction costs. Director Atwell responded yes, payable over three years.

Commissioner Dallman complimented Superintendent Woods on the detailed reports that are being provided; he knows that it is a difficult job. He stated that all along he fully believes in having an audit done but does not feel comfortable in paying additional funds to have another audit conducted when it is fully part of the Park District’s annual audit.

The Board asked what numbers are supplied to auditors.

Superintendent Woods explained that the auditors do not go by her reports. She stated that she told the auditors to be specific with Ackerman. She reported that they check every payment that is made and that they use check registers, invoice copies and trial balances. She said the auditors will specify if we are within our budget in certain areas and they check the Budget and Appropriation Ordinance. The report that the auditors furnish will be something similar to last year.

Superintendent Woods stated that she spoke to the auditors about performing a forensic audit and was told that they will not do it because they are the Park District’s regular auditors. She was told that a forensic audit will cost between \$30,000 and \$50,000.

President Hess reminded the Board that the current audit will only be for twelve months and that there are expenses from 2006 for Ackerman.

Commissioner Kinzler stated that he is fine with that, and if he could only pick one audit he would do the one that is currently being done. He thinks the auditors will produce what he needs to see.

The Board stated it is their desire to have a final number and asked at what point the accounting stops for the project.

Attorney Adams suggested that you cannot stop the accounting until the project is complete. That includes all final payments to contractors and all adjustments have been resolved including charge backs. He stated that that any litigation, arbitration and warranty claims should figure into the final cost. He said a good point to stop will be when the Architect of Final Completion is issued. He stated that the Board has to ask themselves why you want the final number and that will

determine when you want to stop.

The Board commented that when PBS is done, all contractors have been paid and all credits have been applied that should be the completion of the project.

Lenox Road and Churchill Properties

Staff recommends the Board approve the razing of 920 Lenox Road and 271 St. Charles Road. Director Atwell stated that this has already been placed in the budget.

The Board asked Staff to reach out to swat, police and fire departments. Director Atwell responded that they will probably not reach out to the fire department because of the location but will to the other departments.

A lengthy discussion ensued regarding the Churchill home. The Board inquired as to the condition of the home, the cost to repair it, and if the site would be a good location for a future nature center.

Staff responded that there is a lot of work that would need to be done to the home and that asbestos has to be removed.

President Hess stated that the Board previously determined that the cost to fix it would be above the cost to build a new building.

Staff stated that they did not like this location for a nature center and that the Saddlewood Subdivision would not grant an easement for water and sewer.

The Board inquired as to the cost of the razing and if the plan was to plant grass afterwards.

Superintendent Scarmardo stated that the cost to raze each home ranged between \$7,000 and \$10,000 and that grass would be planted.

Attorney Adams stated that there are liability risks for an abandon house.

The Board asked how the cost of retro-fitting compared to new construction.

Superintendent Scarmardo responded that for the Churchill home it would be between \$700,000 to \$800,000 to turn the existing home into a nature center and \$350,000 to \$400,000 to build a shelter kit. This structure would be modern and much bigger with usable space.

Commissioner Nephew stated she would like more time to revisit this issue. She asked whether the home can meet the Park District needs and whether it fits into the environmental policy. She stated that perhaps it could be used in a future Grant for Churchill as a positive point because we are retrofitting for environmental reasons. She stated that she would like to have a separate vote on the two homes.

Attorney Adams stated that any individual can ask to remove an item from the Consent Agenda.

Commissioner Dallman stated that being an environmentalist he previously fought to keep the home but after reviewing the costs he believes it would be better to raze it.

Commissioner Aubrey stated that a prior Board already approved razing the two homes and the cost is already in capital expenditures and therefore thinks this agenda item is a moot point.

President Hess stated that the two homes will be separate items on the Agenda for next meeting.

Ackerman Sports Complex Pay Request #16

Superintendent Scarmardo stated that Division Seven Roofing Consultants are in the process of reviewing plans and bidding specifications for the project and should be resolving the roof issue soon.

Staff recommends that the Board approve and place on the Consent Agenda pay request #16 in the amount of \$153,669.84. Staff stated that the amount to Professional Building Services is for reimbursable expenses only.

The Board asked if the payment to Manusos is a partial payment and Superintendent Scarmardo reported that it was.

The Board directed placement of Ackerman Sports Complex Pay Request #16 on the Consent Agenda.

Matters from Staff

Superintendent Woods reported that she will be leaving on Saturday for a vacation.

Matters from Commissioners

Commissioner Creech reported that the Panfish Park cleanup will be on Saturday and is looking for volunteers.

Commissioner Dallman reporting that he is getting great comments about Ackerman from various friends.

President Hess reported that he was at Lake Ellyn and spoke to people fishing and reported they caught some huge bass.

Adjourn

There being no further business Commissioner Dallman moved, seconded by Commissioner Creech, to adjourn the Workshop Meeting at 9:20 p.m. *Motion Carried*

Respectfully submitted,

Laurelyn Woods
Board Secretary