

MIDLOTHIAN PARK DISTRICT BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES

Thursday July 16, 2020

A. **CALL TO ORDER**

President Kohlstedt called to order the regular meeting of the Midlothian Park District Board of Commissioners at 6:00pm at St. Stephens Church, 14700 Kildare Ave., Midlothian, IL 60445.

B. **ROLL CALL**

Roll call indicated:

Present: M. Kohlstedt, J. Conway, C. Nielsen, F. Pierson, R. Pilny

Note: Commissioner Conway entered at 6:05pm

Absent: None

Staff in attendance:

D. Egizio, J. Yuska, P.Lemar, R. Grohnke

Attorney in attendance:

Dave Freeman

Public in attendance:

None

C. **PLEDGE OF ALLEGIANCE**

Those in attendance gave the Pledge of Allegiance.

D. **PUBLIC COMMENT**

President Kohlstedt opened the floor to public comment

No Public Comment

E. **APPROVAL OF MINUTES**

Motion made by Commissioner Pilny seconded by Commissioner Nielson to approve the minutes of Regular Meeting of June 18, 2020.

Roll call vote indicated:

Ayes: R. Pilny, C. Nielsen, F. Pierson, M. Kohlstedt

Nays: None

Motion carried by a vote 4-0

Commissioner Conway not yet present.

F. **COMMITTEE REPORTS**

DIRECTORS REPORT

D.Egizio reports that we have set November 7th for the Grand Opening of the ARC center. We are putting together an invite list so please inform us if there is anyone you'd like to invite to the grand Opening.

RECREATION REPORT

J. Yuska reported that Things are looking more and more like summer around the fields. We opened the fields for games and tournaments on June 26. We have also opened the concessions stand. We started with a limited menu, but with the success we had over opening weekend, we have decided to offer a full menu.

We are still working on the Fall Brochure. It will go to print the end of July with a mid-late August delivery date. This will be our last mailed brochure. Moving forward we will be producing the brochure digitally.

Don't forget that the first concert in the Music in Midlothian series is July 16 at Kostner Park. Stop by after the Board Meeting to see Rockstar Rodeo perform. The next movie in the park will be Wednesday, August 12 and we will be showing Toy Story 4.

We will be having our annual Ice Cream Social on Monday, July 20th beginning at 5:30 p.m. at Kostner Park. The first 250 people will get free ice cream with toppings.

Finally, Facility Tours of the ARC will be on Thursday, July 23 from 5:30 – 7:30 p.m. and Saturday, July 25 from 10:00 a.m. – 12:00 p.m. We will be offering a discount for anyone who registers for a Yearly Membership that day.

MAINTENANCE REPORT

P.Lemar reports that over at Howie there are major plumbing issues. Some breaks in the main. It is something we will have to repair after the winter but not something we need to put money in now. The Park Truck is going to need to be replaced. We budgeted for a new truck and we are looking into getting a new one.

D.Egizio said that it may be an emergency purchase of some kind.

Dave Freeman- "You could waive bid procedures, if you have to. Something else you could do is talking to the dealers about purchasing it for whatever price you get and demograting whenever the state bid comes out and if its less than that perhaps you can credit or work something out where they would match that price. So lets say they sell it to you for 40K but you could have gotten it for 38K if you waited for a month or two."

J. Yuska said that we are having locked porta potties for pavilion rentals that will be available at Howie, Memorial and Roesner.

RECREATION CENTER EXPANSION

D. Egizio gave a written report on the progress.

ATTORNEY REPORT

Dave Freeman : *"I really don't have anything to report."*

G. OLD BUSINESS

1. Motion made by Commissioner Pilny, seconded by Commissioner Nielsen for the approval of the ARC Cardio Equipment, National Cooperative Purchasing Alliance contract #08-23 Matrix Fitness in the amount of \$155,422.20, of which \$123,447.72 to be leased over 5 years.

Roll call vote indicated:

Ayes: R. Pilny C. Nielsen, J. Conway, F. Pierson, M. Kohlstedt

Nays: None

Motion carried by a vote 5-0

I. NEW BUSINESS

1. Motion made by Commissioner Nielsen, seconded by Commissioner Pilny to approve the Treasurers report for the month of June 2020. The report is as follows:

Total Cash and Investments as of 5/31/20:	\$ 9,436,849.42
Total Cash receipts:	\$ 47,799.41
Total Disbursements:	\$ 1,259,370.06
Total cash on hand as of 6/30/20:	\$ 6,075,278.77
Total Investments:	\$ 2,150,000.00
Total Cash and Investments as of 6/30/20:	\$ 8,225,278.77

Roll call vote indicated:

Ayes: C. Nielsen, R. Pilny, J. Conway, F. Pierson, M. Kohlstedt

Nays: None

Motion carried by a vote 5-0

2. Motion made by Commissioner Nielsen, seconded by Commissioner Pilny for the approval of the expenses by vendor for the month of July 2020 and payroll for the month of June 2020.

Roll call vote indicated:

Ayes: C. Nielsen, R. Pilny, F. Pierson, J. Conway, M. Kohlstedt

Nays: None

Motion carried by a vote 5-0

3. Motion made by Commissioner Pilny, seconded by Commissioner Conway for the approval of bills; ARC Henry Bros. \$924,316.60

Roll call vote indicated:

Ayes: R. Pilny, J. Conway, C. Nielsen, F. Pierson, M. Kohlstedt

Nays: None

Motion carried by a vote 5-0

4. Discussion relating to Employee attendance, staffing, and compensation:

5. Discussion on proposed TIFF District, Village of Midlothian.

D. Egizio explains the TIFF district meeting on Zoom.

Dave Freeman- *"You gave all the highlights or lowlights, however you want to address it. Uumm they have to have a representative from every tax district and they basically oversee whatever is going to happen, but at the end of the day, they vote against the house TIFF, the village can still vote against the TIFF district. It just becomes politically, more of a problem for them if all the other taxing districts are saying, no we do not want it. I spoke to Dominic about whether this would be good or bad, or neutral so to speak for the Park District. It's the schools that are affected the most by TIFF districts because as you know, the bulk of your tax dollars goes to your school districts, 60%-70% of the tax dollars goes to the school districts. So they're going to see any potential new revenue there, tax dollars there, be frozen at 2020 levels for the next 23 years. That's a huge, potentially, a huge hit for them. You probably get .05 or .06 cents to the dollar in terms of your tax bill, it's not going to effect you as much. You know the theory behind TIFF district is by freezing the taxes and using the TIFF money to improve the infrastructure you're going to invite in new development. The new development is going to result in all kinds of new businesses and its going to drive up the tax base and all the property is going to be worth all this money, so those 23 years when it comes off the tiff roll, all of a sudden, the new tax rate is going to be 1000% more than its currently set at. So in 23 years you're going to get all this money, that's the theory behind it. Some TIFF districts work, some don't. Some Tiff districts make a lot of money for everybody, some wind up getting dissolved after a few years, just because there is nothing happening with the money. So were going to have to wait and see what occurs here. My understanding from Dominic is that the school districts are going to object to this, because of that reason. They don't want to see the tax dollars frozen at 2020 levels for the next 23 years. But we'll have to see what the Village wants to do because they do have the right to push it through if they want to but they may be facing a lot of angry residents that are gonna say everybody else voted against it, why did you do this?"*

Mike Kohlsteadt- *"Don't TIFF districts generally, the successful ones, are more in up and coming developed areas?"*

Dave Freeman- *"Well, typically, but I mean again, they're used... one of the definitions is to find a blighted area or a conservation area. Some place that's run down a little bit. They think by putting in a TIFF, you could improve the area and if we have the TIFF money, if we fix the streets,*

and put in new sewer and water lines and fancy street lights, that'll encourage more people to develop. Who knows? I mean it's a pure guess. Just because this area needs the legal meets legal requirements for a TIF, doesn't mean all of a sudden McDonalds is going to say, Lets move our corporate headquarters to Midlothian. It could happen, but you know, you don't know. But sometimes they work as I said Mike and sometimes it doesn't. So the Village is taking a calculated gamble that if we do this, you know, if you build it, they will come. "

Mike Kolstead- *"It looks more like a resurgence of their old comprehensive plan, that never went anywhere."*

Dave Freeman- *"Well this is another way to do it without the Village expending its own funds. Because the way the TIF works, its tax increment financing means if you're paying a dollar in tax right now and the property's TIFed, let's say your tax goes up to \$1.10. That .10 doesn't get spread out amongst the school, the parks, etc. That .10 goes into the TIF fund so after a year or two or three or five, the assumption is now the TIF fund has a million dollars in it, because that's money that didn't go the schools or the parks, etc. It went into the TIF fund. So now the municipality could take that million dollars from the TIF fund and say "great, let's make fancy sidewalks, lets still put in these decorative street lights, let's do whatever it is were going to do with our million dollars". But the village didn't have to spend that money out of their own pocket. It came out of the TIF fund."*

D.Egizio said at the is point he will object to it.

Dave Freeman- *"And they can't use this money for anything they want. There's some pretty strict guidelines in the TIF act on what they can use it for. So, you know, I don't know much about what they want to use it for other than what Dominic just mentioned. But then you know they may say, they're gonna just give it to the school for something. Well you may or may not be able to do that. It depends. So they really need to get a good idea of what they can and cant use that TIF money for. They're are very strict guidelines according to them".*

Mike Kohlstead- *"Nothing goes into it until the next tax bills come out to the TIF district, correct?"*

Dave Freeman- *"Right, Correct"*

D. Egizio asked if they can borrow against that.

Dave Freeman- *"Well what you do is you issue debt certificate so it bonds. Right"*

Mike Kohlstead- *"They'll go further in debt?"*

Dave Freeman- *"The debt certificates or the bonds are collateralized by the TIF money. I'm borrowing the money today, but the collateral is the TIF money I'm gonna collect tomorrow. So unless the TIF completely collapses and never makes any money, the assumption is the Village would never have to repay it, they'll repay it again out of the TIF funds. A prime example of a TIF that worked was a TIF that we developed out in Warrenville, the old Cantera site that used*

to be a quarry, a big hole in the ground. Do you remember that for like 40-50 years ago? We put in a TIFF district there. It was the most successful TIFF in the state. And they borrowed \$100-\$150 million dollars to do all they work, but then they put in the whole office park and all that stuff out there. Made a phenomenal amount of money for everybody. Now some of the buildings are empty because people are leaving office buildings. But you know up until 10 years ago that was like the place to be on the I-88 was in Cantella in Warrenville. They mad a lot of money for the developers there. But some of them don't work."

D. Egizio said as he gets more information, he'll continue to share it.

J. **BIDS AND AWARDS OF CONTRACTS**

1. Motion made by Commissioner Nielsen, seconded by Commissioner Pilny to award the Fitness Equipment, bid opening July 15, 2020 for \$23,019.96.

Dave Freeman- *"Before we vote, one second. Dominic since this is the only bid we received, do you have any information about this company? Or did you have an opportunity to check some references or something because this is the only bid you have?"*

D. Egizio stated he has personally used them before at another district.

Dave Freeman- "I just want to make sure we at least know who they are."

Roll call vote indicated:

Ayes: C. Nielsen, R. Pilny, J. Conway, F. Pierson, M. Kohlstedt

Nays: None

Motion carried by a vote 5-0

2. Motion made by Commissioner Conway, seconded by Commissioner Nielsen to award the ARC Gymnasium floor (Don Preston Gym), bid opening July 15, 2020, low bidder was H2I group for \$54,988.00.

Roll call vote indicated:

Ayes: J. Conway, C. Nielsen, R. Pilny, F. Pierson, M. Kohlstedt

Nays: None

Motion carried by a vote 5-0

3. Motion made by Commissioner Pilny, seconded by Commissioner Conway to adjourn to executive session.

Roll call vote indicated:

Ayes: R. Pilny, J. Conway, C. Nielsen, F. Pierson, M. Kohlstedt

Nays: None

Motion carried by a vote 5-0

K. **EXECUTIVE SESSION**

ROLL CALL

Roll call indicated:

Present: M. Kohlstedt, J. Conway, C. Nielsen, F. Pierson, R. Pilny

Absent: None

Staff in attendance:

D. Egizio, R. Grohnke

Attorney in attendance:

Dave Freeman

Public in attendance:

None

D. Egizio report that after review of the last 6 months of Executive Session, there were no Executive Sessions, so he recommends we keep them closed.

Dave Freeman- *“Dominic is right. Technically when we do the six-month review, its not just a review of the last six months. It’s an ongoing review of all closed executive sessions minutes from all time. So were supposed to be looking at these on a consistent basis to see if there is something from 10 years ago that we should now reopen. Or release I should say. At this point in time, my guess is that if you haven’t released it yet you’re probably not gonna want to release it in the future. But every once in a while, something will come up and you’ll say “We can release this at this point in time”. But I agree with Dominic, the right way to do this is to present you every 6 months with a complete list of all closed session minutes and that way you can look at them and say we want to continue to keep them closed or we want to release them. So this is easy. We have nothing for the last six months and we don’t have anything from before that but perhaps the next time we do this, we’ll have a more complete list and that way we can look at those and determine.”*

L. **RECONVENE TO OPEN SESSION**

1. Motion made by Commissioner Nielsen, seconded by Commissioner Pilny to reconvene to open session

Roll call vote indicated:

Ayes: C. Nielsen, R. Pilny, J. Conway, F. Pierson, M. Kohlstedt

Nays: None

Motion carried by a vote 5-0

N. ACTION FROM EXECUTIVE SESSION

1. Motion made by Commissioner Conway, seconded by Commissioner Pilny to keep executive mins closed.

Roll call vote indicated:

Ayes: R. Pilny, J. Conway, C. Nielsen, F. Pierson, M. Kohlstedt

Nays: None

Motion carried by a vote 5-0

O. ADJOURNMENT

Motion made by Commissioner Conway, seconded by Commissioner Nielsen to adjourn.

Roll call vote indicated:

Ayes: J. Conway, C. Nielsen, F. Pierson, R. Pilny, M. Kohlstedt

Nays:

Motion carried by a vote 5-0

Meeting adjourned at 6:54pm

Recording Secretary for the Board: _____

MIDLOTHIAN PARK DISTRICT