



10 Gateway Drive, Collinsville, Illinois 62234 • (618) 346-PLAY (7529) • (618) 346-7530 (fax)

REGULAR MEETING MINUTES FEBRUARY 16, 2016

The Regular Meeting of the Board of Park Commissioners of the Collinsville Area Recreation District was called to order by President Patrick Collins at 6:33 PM, February 16, 2016 at the district office, 10 Gateway Drive, Collinsville, Illinois.

Following the Pledge of Allegiance the roll call was called with the following commissioners answering present: Mark Achenbach, Patrick Collins, Jeanne Lomax, Brad Sewell and David Tanzyus.

Staff present included: Doug Erhart, Kevin Brown, Tim Childers, Kimberli DeRossett, Keith Grotefendt, Jessica Jader, Mark Kosmatka, Mark Marcuzzo, Greg Reising and Max Ryan. Attorney Andrew Carruthers and Bond Consultant Tim King were present as well.

SPEAKERS FROM THE FLOOR

Collins opened the floor for public speakers from the floor. He reminded everyone of the four minute time limit.

First to speak was Jim Grobmeier. He voiced his opinion regarding the bonds, the double taxing of taxpayers in one year and the option of abating the taxes. He also pointed out the possible results of the previously mentioned options. He went on to discuss the diminished park staff due to tax cuts from several years ago. He pointed out the appearance of the parks is a representation of the entire community. He said the newly appointed attorney has a conflict of interest because of his previous association with an organization trying to dissolve CARD.

Second to speak was Joe Ashmann. He noted he feels the CARD board has become a secret society. He noted the numerous changes in executive directors as well as Carruthers involvement with the press conference previously held to try to obtain signatures to dissolve CARD. He asked if Carruthers was here to finish what he was unable to get done previously.

Third to speak was Jim Sparks. Started by saying he agrees with pretty much everything Ashmann said. He went on to discuss Arlington Golf Course and the negative aspects of it. He went on to question if the commissioners vote on expenditures.

Fourth to speak was Scott Rayho. He noted the board shouldn't tie CARD's hands by not abating. He closed with the fact there was no notification to the public regarding the absence of an attorney at a previous board meeting followed by the appearance of a new attorney. He voiced his opinion that having Mr. Carruthers as the attorney is a conflict of interest.

Fifth to speak was Shannon Stelling, representing the Board of Directors with the Collinsville Chamber of Commerce. She implored the board to abate the taxes instead of doubling the bond levies. She also wanted to remind the board they are elected officials and that it is very important that CARD not be disbanded as has been previously discussed.



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Sixth to speak was Larry Gulledge. He discussed the abatement of taxes. He stated CARD is too small of an organization to have such a large debt. He reviewed past decisions made by voters and the tax payers not wanting taxes to be raised. He pointed out the success of the tax reduction in 2013. He noted CARD needs to live within their means, even if it means closing up various locations. He wants the board to put the decision back in the hands of the tax payers and not abate the taxes.

Seventh to speak was Wendi Valenti. She requested that the board abate the tax levy. She noted the business community does not want to pay a double tax levy this year nor in the future. She noted the Chamber values the assets that CARD brings to the community. She also noted that CARD makes the community a more attractive place. By not abating, the board is putting all of that at risk. She also noted the board members are there to manage financial aspects while they are here, not for future board members. She would appreciate it if the board members looked at the issue from different viewpoints. She went on to note she has a personal vested interest in CARD because she is in the district and she has children that participate in CARD's activities.

Eighth to speak was Lisa Ciampoli. She noted the board was dealt a bad hand, and hopes the board is able to inform the public of what is going on. She also noted people are not looking for more debt.

Ninth to speak was Ron Jedda. He has an outstanding Freedom of Information Act unfulfilled request. He noted a violation of the Open Meetings Act and he said the District council should look for other violations. He noted his opinion that the taxes should not be abated.

Tenth to speak was Rob Dorman. He is angry because he had to come down here tonight to tell the board not to abate the tax levy. He stated he thought he made that clear last time. He went on to note there are other places to swim around here; they can go to the YMCA. He also noted a lot of businesses are laying off workers, moving to Mexico or moving to China. He questioned why we don't move this to China, they're buying.

Eleventh to speak was Joe Semanish. He did not sign up to speak. He is a county board member of District #27. He is here to back the village of Maryville 100%.

Twelfth to speak was Bill Dorman. He questioned MEPRD and how it works. Collins and Achenbach clarified how the grants work and how the Park Enhancement Program (PEP) Grants work. Dorman went on to ask why we can't get more money from them. Collins noted we request grants every year.

CONSENT AGENDA ITEMS

Collins opened discussion for consent agenda items to approve the following:

- Closed Meeting minutes for January 19, 2016
- Regular Meeting minutes for January 19, 2016
- Treasurer's Report for January 2016
- Claims and Accounts list



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Achenbach made a motion, seconded by Tanzyus, to accept the consent agenda and to amend the motion to move the Closed Meeting minutes for January 19, 2016 to Closed Session.

Achenbach noted changes to be made in the information from the Regular Meeting minutes for January 19, 2016. He went on to question the dates on Claims and Accounts report.

Roll was called with the following voting AYE: Achenbach, Collins, Lomax, Sewell and Tanzyus. None voted NAY. Motion passed.

EXECUTIVE DIRECTOR & STAFF REPORTS

Collins opened discussion for the executive director and staff reports.

- Erhart noted several areas where savings were found following his research and review of information. He reviewed staffing report and the upcoming season at Splash City Waterpark.

A motion was made by Achenbach, seconded by Lomax, to accept the Executive Director and staff reports.

Roll was called with the following voting AYE: Achenbach, Collins, Lomax, Sewell and Tanzyus. None voted NAY. Motion passed.

OLD BUSINESS

Collins opened discussion with potential action regarding expending \$2,384 and freight charges for Capital Repair to the FlowRider Water Attraction.

Erhart noted the necessities of what needs fixed and how much those repairs will cost.

The question was raised of how much money we make off of the FlowRider. It was noted there is not an extra charge to ride the FlowRider. There is an additional charge if there is an afterhours rental. Collins questioned being able to track if FlowRider is paying for itself or not.

A motion was made by Sewell, seconded by Achenbach, to approve the expenditures for the Capital Repair in the amount of \$2,384 for the FlowRider Water Attraction.

Roll was called with the following voting AYE: Achenbach, Collins, Lomax, Sewell and Tanzyus. None voted NAY. Motion passed.

NEW BUSINESS

Collins opened discussion and potential action regarding Resolution #16-2, a resolution regarding Park Enhancement Program (PEP) Grant distribution. Attachment A included line items for each fund.



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A motion was made by Achenbach, seconded by Lomax to accept Resolution #16-2.

The board had no issues with the distribution of funds to Willoughby Farm.

Achenbach led a discussion regarding the golf course's request to replace the golf cart path to become ADA compliant. He stated he does not feel it is appropriate for the golf course to get a lot of funding from the PEP Grant. He would rather see the money allotted for the golf cart path used toward something else, like Schnuck's Park or Splash City Waterpark. The funds should go to places that benefit the tax payers most. Erhart pointed out the need for the golf course cart paths to be fixed. Marcuzzo provided feedback as to monetary estimation of fixing the cart path at the first hole only. It was decided to fix the first hole only for the time being.

The board had no issues for the distribution of funds to the recreation coordinator.

The board had no issues for the distribution of funds to recreation-parks fund.

The board had no issues with the distribution of funds to Splash City Waterpark fund. Erhart noted changes for the replacement of water guns on Monsoon Mountain. Replacing all twelve is too costly.

The board had no issues with the distribution of funds to the CARD Activity Center. Reising and Grotefendt described the process of repairing the brick walkway. The bricks are buckling because of mole infestation.

Achenbach made a motion, seconded by Tanzyus, to amend Resolution #16-2 lowering the request for PEP Grant funds of \$38,600 to \$12,000 for cart paths at Arlington Greens Golf Course. The remaining funds are to be distributed to the Recreation-Parks fund.

Roll was called with the following voting AYE: Achenbach, Collins, Lomax, Sewell and Tanzyus. None voted NAY. Motion passed.

Collins opened discussion with potential action regarding the approval of 2016 pricing for Arlington Greens Golf Course.

A motion was made by Achenbach, seconded by Collins, to accept the proposed 2016 Golf Course rates for discussion.

The board discussed the current pricing versus the proposed pricing. Achenbach noted prices should be increased for non-residents, not for residents. Sewell questioned if raising rates \$1.00 would affect the golfers. Marcuzzo stated yes, if senior rates are raised, they will go elsewhere. He noted that resident rates are very cheap in comparison to other courses.

Roll was called with the following voting AYE: Collins, Lomax, Sewell and Tanzyus. Achenbach voted NAY. Motion passed.



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Collins opened discussion and potential action regarding Ordinance #16-1, an ordinance abating the tax levied for 2015 to pay principal and interest on Series 2004, Series 2007, Series 2010A, and Series 2013 G.O. Bonds.

Collins made a motion, seconded by Tanzyus to accept the ordinance for discussion.

Achenbach asked if our attorney reviewed this Ordinance. Carruthers indicated he had seen it and indicated it is very similar to the Ordinance that was passed last year and the year before. He stated he did not draft it, but he has reviewed it. Achenbach went on to question the wording in the proposed ordinance and if it is in compliance with the bonds. It was noted the same wording had been used in the past. Achenbach states he thinks it was wrong last year. Collins asked what the remedy is. Carruthers is not sure there is a way to fix this ordinance so that it is in compliance with the long term bonds. He noted the requirement to have the money to fund our debt service before we do it. He indicated the wording has been the same for many years. He does not feel it was anyone's intention in the past to not be in compliance and abate when they didn't have the authority to do so. He spoke with several bond counsels regarding the language in the ordinances and indicated we would be in technical default. He indicated this does not mean we cannot ever abate in the future, but time is running short. Carruthers continued to discuss the ordinance and presented his recommendations. He stated we do not have the money and if the covenants are to be strictly interpreted, we can't abate tonight. The board continued to debate the legal aspects of abating and not abating.

Achenbach gave a presentation on the overhead outlining his interpretation of the outcome of abating and not abating. A printed version of the presentation was made available to the public. There was debate regarding dates and information presented and a representative from a bank offered reasoning as to why they denied a rollover bond offer in November 2015. It was because of lack of lead time, not the audit. Achenbach noted there were individuals lobbying bankruptcy in November 2015 because of the district's financial standing at one point. Tim King offered clarification on several aspects. Achenbach pointed out the bonds have absolutely nothing to do with the operating budget.

Collins gave a presentation on the overhead outlining his interpretation of the outcome of abating and not abating. There were numerous debates between the Board members regarding compliance and noncompliance. An audience member noted that interest rates are going up. Collins asked that commentary be limited to the Board. The Board continued to debate. Lomax asked if there were any other bond counsels. Carruthers gave a description of bond councils and reviewed some information on local bond counsels. Tanzyus noted there was a lot of risk with not abating. Carruthers explained bankruptcy for public entities in Illinois.

Collins moved to make an amendment to the motion and to remove two paragraphs from Ordinance #16-1. Tanzyus seconded. Board members continued with debates and questions. Sewell noted this really goes back to when the dissolution of CARD fell apart. He noted the dissolution of CARD was not done properly. They needed to market it to the right people, to the voters in Collinsville, not the outlying cities. Carruthers stated CARD is never going to dissolve. It is not practical. Sewell said the board members want to do their agenda regardless of what the voters want to do. Lomax asked if the tax payers wanted us to take out more debt. Sewell said the tax payers do not want us to close CARD. Lomax said we are not closing CARD. Achenbach noted that is not up to us. The Board members continued to debate.



Roll was called with the following voting AYE: Collins, Sewell and Tanzyus. Achenbach and Lomax voted NAY. Motion passed.

FOR THE GOOD OF THE DISTRICT

Collins opened the floor for the good of the district.

Collins thanked everyone for coming out to the meeting. He thanked everyone for all of the effort put into the issues dealt with tonight.

OTHER BUSINESS

A motion was made by Achenbach, seconded by Sewell, to go into Closed Session for the purpose of discussing the employment, compensation, or dismissal of specific employees, purchase or sale of real property, and litigation. (5 ILCS 120/2© 1, 5, 6, 11). Those voting AYE were Achenbach, Collins, Lomax and Sewell. None voted NAY. Motion passed.

The Board adjourned to CLOSED SESSION at 9:55 PM.

The Regular Meeting of the Board of Park Commissioners of the Collinsville Area Recreation District was called to order in OPEN SESSION by Collins, February 16, 2016 at 10:17 PM at the district office, 10 Gateway Drive, Collinsville, Illinois. Commissioners present were Achenbach, Collins, Lomax and Sewell. Staff present included Executive Director Doug Erhart. Carruthers and King were present as well.

The board had a discussion with Carruthers and King regarding the Series 2004, Series 2007, Series 2010A and Series 2013 General Obligation Bonds. Obtaining a Standard & Poors rating also was discussed. Lomax had to leave the session.

No further business coming before the commissioners, a motion was made by Sewell, seconded by Collins, the meeting be adjourned. Those voting AYE were Achenbach, Collins, Sewell and Tanzyus. None voted NAY. Motion passed.

The meeting stood adjourned at 10:47 PM.

Respectfully Submitted,

Kimberli DeRossett, Recording Secretary

Date