

MINUTES OF THE PUBLIC REGULAR MEETING
PLEASANT DALE PARK DISTRICT
WEDNESDAY, MARCH 14, 2012 AT 7:00 P.M.
RECREATION CENTER
7425 SOUTH WOLF ROAD, BURR RIDGE, ILLINOIS

1. Pledge of Allegiance

2. Call to Order/Roll Call: Present: Commissioners: Kevin Burke, Amy Podczerwinski , Wade Brewer, and Ernie Moon, Director Katherine Parker & Attorney Joseph Cainkar. Absent: Mark Radulski.

Mr. Burke suggested the agenda be taken out of order to allow audience members to speak first in the Open Forum and then follow with the regular agenda.

MOTION

Mr. Moon made a motion to allow the Open Forum before the regular agenda. Seconded by Mr. Brewer. All Ayes. Motion passed.

6. Open Forum (taken out of order)

(Pat) I am here for the same reasons for the Chalet, but I had an idea about six months ago, and I worked on it and came up with a menu and submitted my resume of my experience in the bar business. What I would like to do with the Chalet is to keep it going. I used to go there years ago. I have been in the bar business for 35 to 40 years. I would like to see if I could get more members, old members, offer them a special. I don't know if you have my proposal.

Mr. Burke indicated that the Board did receive her letter of proposal.

(Pat) I can answer any questions. I have had 3 or 4 taverns which are still successful. I have sold them 2 years later and did what I had to do to get them on the map again. I did the same thing with the bar I own now for 28 years, Clown's Alley, 59th and Kedzie in the City. I worked very hard to get here. I want to put the Chalet back where it belongs, and I think I'm the one who can do it.

Mr. Moon questioned whether she would lease just the bar.

(Pat) Yes, but there are a lot of other things you can do if you don't want to have the weight room. There are a lot of other things you can do and make money. You have got to get people back. When I was younger going there it was quite a big deal to go to the

Chalet, and their children are growing up and feeling the same way. I have never had a failure in the bar business.

Mr. Moon questioned Pat about the kitchen items.

(Pat) This is what would be needed to put into the kitchen. What I also wanted to get into was to start serving lunches, panninis, hamburgers, and getting there in the morning for meetings, maybe coffee and rolls to try and make it a place to come back to. The more people you have for meetings, then word of mouth is best. If you are going to keep the weights and stuff introduce vegetarian and low calorie to make it appealing for them to work out, and then pay a membership.

(Bill Walsh) I was at the meeting on Saturday, and wanted to find out if the Chalet was really closing on May 1st, and what kind of plan, long-term, short-term you have. I tried to find out on the website, and there was no mention of these meetings on the website.

Ms. Parker indicated it does say the 2nd Wednesday, but indicated they will put more information on the website.

(Bob) I'm here to find out what the rumors are and what the alternatives are.

(Marianne) I use the Chalet every day, and I am also a taxpayer in this community. The Chalet has been hemorrhaging monies for the last 12 years. Now, I'm sure that Pat is a great business person, but there's no way that a bar or restaurant is going to make up the money that's bleeding out of that place. I love it there. It's convenient, cheap, it's great, but I'm also a taxpayer. It's crazy to keep it open when you are losing this amount of money at a facility every month. It's great for everybody using it. What's in it for the whole community, not just for me.

Mr. Burke stated that if it continues, it will bankrupt the park district.

(Marianne) When you have no park district, it's not good for your property value. Let's put the money into the park district for the kids. Build things over here. The people that are there, at least in the morning, we can put that stuff in this room every morning, make a pot of coffee, and everybody is happy as a clam. You don't need this big, antiquated building that's costing thousands and thousands of dollars to maintain and paying utilities on.

Mr. Burke stated for some of the people who weren't at the meeting, they held an open house meeting for the members. We had an open house and brought members in to tell them, because we weren't sure – as much as everybody loves the Chalet and works

out there – we don't feel the members weren't aware that we are losing \$200,000 to \$250,000 a year. We as the Commissioners, have the responsibility to the 8,200 people who live in this park district. We owe it to them to let them know that we can't spend that much money every year in taxes and think that this is going to go away. The Chalet was a phenomenal place when racquetball was there and there were 2,000 members, and we wish it could come back to that point again. The building is getting older, the pool needs attention, it needs a new roof, and air conditioning system. It's draining the park district dry. If we continue to lose this much money, you are actually hurting other programs for the park district. Not every park district has a health club. They have recreational things for the children. We can get grants for the park district, not for repairs, but for structures. We can have structures here and bring in equipment from the Chalet and have our own workout room in maybe two years from now. You can get a third-party to come in to lease or take over the Chalet, they will rent it and maintain it and pay the air conditioning, et cetera. This park district doesn't have the monies to take care of it. This building is falling a part, because we don't have the monies to take maintain it. We owe it to the taxpayers to be totally open about the fact that the Chalet is hurting the park district.

Mr. Burke stated that the Board that did renovations had a great idea. It did get busy with volleyball and other activities, but it was not enough to keep the building going.

(Ken) I have been coming to meetings and hardly missed a meeting in the last 3 years. The Chalet is bankrupting the park district. I don't know if you people realize it, but about \$9 million dollars have been dumped into this building so far. I have been hollering to close the Chalet for 4 or 5 years now. They have been taking \$600,000 a year out of the budget here and using it for the Chalet. They have been doing it since it was purchased. They can't do anything here, because they are spending all of the monies over there. They remodeled it 2 to 3 years ago. There's probably \$600,000 or \$700,000 spent to remodel it, and it's gone. They just put a foundation for a batting cage over there.

Mr. Burke stated that they got a grant to put up an outdoor structure and possibly put up a batting cage.

(Ken) You got a grant from Lyons Township. The grant was for a parking lot.

Mr. Moon stated it was for a parking lot and outdoor facility. It was \$150,000.

(Ken) You keep spending money there, and it has not supported itself since the beginning. They are borrowing monies at the end of each year to pay their bills here,

because it's all over there. They are in the hole right now. You can't lose that kind of money. I have been screaming about this for years. They tried all kinds of things to make it work, and it has not worked. That building was built in 1971 or 1972 as a Hockey Rink, not a health club. That building hasn't supported itself since the day it was built. The roof is shot. Everything is shot in that building, and it will cost a fortune to support it. With the monies that have been put into that building, we could have had a brand new building here.

(Ivy) I am one of the Seagulls, and we have been at the Chalet for the past 4 years, and I will tell you why the Chalet failed all these years. There's absolutely no management there, no organization, and there never has been. The right hand doesn't know what the left hand is doing. No one is in charge. That's why it's failing.

Mr. Burke stated, I take into consideration what you are saying, but I don't think the miracle worker could make money at the Chalet right now with only 352 members presently belonging to it. We don't have the overhead to put more management there or people to help with the cleaning. No matter how you stack that place, it's not going to be successful with only 352 members.

Mr. Moon indicated after seeing the current audit and numbers, even if membership doubled, with all the expenses every year as the building gets older, there are just not enough funds to support it.

(There was discussion all at one time regarding air conditioning, taxes, repairs)

(Linda) I have never been to a park district meeting. I came just to learn just a little bit more about what's going on. We used to be members of the Chalet, but no longer are. As parents of a 10 year old, we are concerned about the quality of the programs that the park offers, and disappointed that the Chalet is not used to its full potential. When we were members paying our dues, it was almost like being on the honor system. My neighbor, Tom Kidwell, who couldn't be here tonight, asked that I express his feelings because he and his wife are members now. It seems like payments are on the honor system. I think there needs to be a better way of record keeping, like direct deposit or automatic withdrawal from a checking account. There needs to be a better way of handling payments, whether it's at the park district or chalet. I think that money could be better spent on park district programs.

Mr. Burke indicated that when the Chalet is closed a lot of the programs are going to move to the park district. We are not going to eliminate any programs being held at the

Chalet, except unfortunately, we don't have a pool. That is one issue the Board is upset about. We are not going to be able to accommodate those people who use the pool.

(Kim) We are recent members of the Chalet, and my concern is my kids use the facility. They are in sports and have practices there. My biggest concern is if there had been talk about closing the facility, then why have we been doing improvements on the interior and throwing good money after bad, building walls, ripping out staircases, build benches for sporting events. If this was on the horizon, we just wasted more money.

Mr. Burke stated that because of insurance requirements for safety reasons, those items needed to be taken care of.

There was discussion all at one time regarding the foundation and other expenses.

(Liz) I'm a small business woman, and if this Board didn't close it, as a taxpayer, you would be financially irresponsible and morally and ethically irresponsible. This is simple math. This place has to close. I want to thank this Board for actually doing something about it. You are actually the only ones standing up and doing the right thing, maybe doing an unpopular thing for some of the people. Maybe if we sell the Chalet, there might be monies to do other things. You are not ignoring it, so thank you.

3. Consent Agenda items a & b (minutes) & (financial statements) Monthly Business.

MOTION

Mr. Brewer made a motion to approve the Minutes. Seconded by Ms. Podczerwinski. All Ayes. Motion passed.

MOTION

Mr. Brewer made a motion to approve the financial statement. Seconded by Ms. Podczerwinski. All Ayes. Motion passed.

4. Old business

a. Burr Ridge Land Cash Projects

1. Vial House Porch Repair Proposal

Ms. Parker provided the Board with a packet for repairs to the front porch of the Vile house. It's in need of attention. The money designated for this is from the Burr Ridge Land Cash fund, and it has to be used in the parameters of Burr Ridge, and they must be

used for capital improvements. We spoke to Burr Ridge about this, and the person who worked on this is the same person who finished the bathrooms here. He worked with the State Historic Preservation Agency and the Vile House people to come up with a design.

Mr. Burke explained that the Vile House is an Historical Yellow House. It's not out of our budget. Burr Ridge can give us the monies to improve that. A gentleman came over and gave us a proposal as to how we can fix it and do the work and change the stairway, so it would be less expensive to keep up in the future.

(There was discussion all at one time)

Ms. Parker explained when a developer builds a new subdivision or development, the developer pays funds to the schools and parks called an impact fee, because more people come in, and they either give you money or land or a combination of both. It's before this Board and I came here, there's a certain amount of money segregated to certain areas.

Mr. Cainkar indicated if the amount is under \$20,000, you don't have to get other estimates or bids, but you can always get other bids.

MOTION

Mr. Brewer made a motion to accept the repair proposal. Seconded by Ms. Podczerwinski. All Ayes. Motion passed.

2. Lake Carriage Way Proposal

Ms. Parker explained that the other two sites are part of the Burr Ridge Land Cash Projects. I am meeting with Doug Pollack to discuss this. Lake Carriage Way residents have approached us about more lights there, because there was a terrible murder, and they are very concerned because it's a very dark area and we want to devote some of the funds to putting in lighting. They have come to us and asked us about a boat dock there with the same funding. We are going to look at the plans.

There was a suggestion to check with the residents whether or not they want a boat dock there.

3. Savoy Park Shade Structure

Ms. Parker mentioned that they were also asked to have a shade structure at Savoy Park, like a Gazebo or something.

Mr. Moon stated that the items under Old Business, 1, 2 and 3 are all under Burr Ridge Land Cash. There was some mention of plants in the area and other renovations.

b. Independence Day Celebration Committee

Mr. Burke stated that last year the fireworks celebration was changed to July 3rd, because it kept costs down with regards to police services and suggestions made by other patrons. There were some financial sponsors and a silent auction, which kept costs down. Fireworks display costs \$13,000 but is mostly covered by funds received from the sponsors and auction.

There was a concern mentioned that people who live outside the area come to see the fireworks, and the Board explained they cannot prevent that.

Mr. Moon stated the Board knew where they were losing monies, and they changed it.

Mr. Burke stated that this year they plan to have a golf outing to cover the costs in order to break even. We are also looking for people to sign up on the committees.

5. New Business

a. Chalet Operations Update

Mr. Burke stated that as President of the Park District the Board has instructed Katherine and Lauren to check the pending rental agreements. They may still have contracts which may end on April 28th of this year, and they should be allowed to finish out their season. It would be my recommendation to close it. That the Chalet should close on April 28th.

We had a meeting last week, and it's not that easy just to close something and say it's for sale and put a for sale sign. The attorneys have walked us through the procedure. As a park district you cannot just close something and put it up for sale. The attorneys have to go to court and ask the judge for us to be able to investigate and decide what we want to do with the property. At that time we bring in a commercial company or commercial real estate to do an appraisal. The reason for the appraisal is so that nobody is setting a certain amount and trying to sell it. Once we get an appraisal, then we cannot sell it for less than that amount. Or we get a third party company to come in and offer the park district a certain amount a year, and they will take over the expenses to manage it. We don't know what the chances of that happening are at this time. Sports Expo or Life Fitness may come in and indicate that they have the money to do the work necessary to make it work, plus there is a liquor license that might transfer over.

So, the fact that it may be closing in the future or that you can't use it as a member is not 100 percent a dead issue if somebody wants to come in and take it over. We were also contacted by Life Fitness that maybe they would work something out with the present members. We are trying to take care of the members who belong there and see if there's a possibility they can go somewhere else.

At this meeting we are making it public that we are now giving our attorneys the right to go forward with this issue. We need to go forward and figure out what we are going to do with the property, manage it, sell it, or have a third-party agreement.

As President of the park district and on behalf of all the commissioners here, we can't keep it open.

Mr. Moon questioned Mr. Cainkar if they can put an ad in the paper for a building and parking lot to lease or rent it. I feel what we need to do is advertise that we could lease it as is. That would possibly keep it open. But do we have to go through a judge on that issue also?

Mr. Cainkar stated no, it's just to sell it.

There was discussion regarding leasing, selling the property and contacting a commercial broker with regards to the property.

There was a question posed that if the Chalet were sold, would it go to lower the bond?

Mr. Cainkar indicated he would have to check into it, because the debt schedule goes through 2014, and some bonds are not set up that way.

(There was discussion all at one time)

Ms. Parker provided the board with a packet indicating who may be coming in to give their input as to what options are available.

Mr. Burke indicated they want to use someone who has a list of clients who may have an interest in this type of building.

(Jerry) If you intend on leasing it, you have to get somebody to pay at least \$20,000 or better a month, just to require one year's work of what's going on. It would be great if you could find somebody, but to find someone to pay \$20,000 a month to lease it and then remodel the whole building in the interim. Maybe the village could try to sell the building and recoup as much as they could.

(There was discussion all at one time)

b. Proposal for management of the Chalet Bar

Mr. Burke: Pat was here previously with a proposal, but she was unaware of the problems we were working on for the Chalet.

c. Proposal for Operational and Financial Review of the Park District

Ms. Parker provided the Board with a proposal from James Vanderall who is asking to be considered to come in and do a review of the operational and financial operations of the park district and do an assessment to see if he can improve our overall strategy.

Mr. Burke indicated the concern should be about the Chalet. The issue of the review was postponed at this time.

Mr. Brewer indicated that maybe a fitness center could be moved to the park district.

Mr. Burke mentioned that there are 300 members here who could be offered a membership in the interim at one of the facilities in the area.

6. Open Forum (Motioned to the beginning of the meeting)

7. Staff Reports

Mr. Burke indicated The Board received a thank you letter commending Matt for his work.

8. Additional Items (Nothing heard)

9. Executive Session (Nothing heard)

10. Hiring and firing of personnel (Nothing heard)

Mr. Burke: Before we adjourn, I would like to thank everyone for coming. Usually, at these meetings we only have one or two people who attend. I appreciate the support, because throughout the last several days, we heard about the Chalet, and as a taxpayer I appreciate the way it's being accepted. There are 8,200 other taxpayers here.

A woman expressed her thanks for allowing the seniors to use the Chalet and pool, but expressed her concern as to whether or not the seniors could use a pool in another facility.

11. Adjournment

MOTION

Mr. Brewer made a motion to adjourn. Seconded by Ms. Podczerwinski. Motion passed.

(Whereupon the meeting ended at approximately 8:00 p.m.)

Reported by Carmella Traverso