

**PROCEEDINGS OF THE BOARD OF PARK COMMISSIONERS
MAY 15, 2007**

AGENDA

ROLL CALL

The Board of Park Commissioners met for a mid-month meeting on Tuesday, May 15, 2007, at 5:00 p.m., in the Park District Board meeting room. Present were Commissioners Bollman, LaDouceur, Hutchison and Jeske. Commissioner Panzer was absent.

FOR DISCUSSION

CENTER COURT FITNESS CLUB

Cam Tweten addressed the Board with budget issues for the existing facility. He also presented ways the budget issues were being addressed as best they could.

Cam stated the current facility, as it looks right now, will be used for the next three or four years. That being, he feels the current membership numbers need to be maintained, or increased. In order to do that, some remodeling must be done and some new equipment needs to be purchased.

Membership dues used to be an annual income of 1.9 million and now it is at \$700,000.00.

He presented the Board with information on a \$750,000.00 loan to do the remodeling and equipment purchase. He proposes the loan currently on the facility be refinanced and extended to 20 years. The interest rate quoted would be 4.95%.

If the Park District proceeds with the new, proposed wellness center, then sale of the current facility would pay off this debt.

Discussion followed:

Commissioner Hutchison doesn't like the idea of taking out a loan for building maintenance. Typically this is not something you want to finance.

Commissioner Bollman stated he felt this would be a temporary debt, and that a new wellness center is on the horizon.

Commissioner Jeske is concerned about the loss of members because of the state of the current equipment.

Commissioner Hutchison stated there is the possibility of paying this loan off early with profits, or from C & B.

The Board was asked to have some thoughts at the next Board meeting as where they want to go with a new facility or the above suggestions.

FOR ACTION

PURCHASE OF NEW FENCING AT LINCOLN TENNIS COURTS, PURCHASE OF PHASE II TECHNOLOGY UPGRADE AND FINANCING OF THE PROJECTS

John Staley addressed the Board stating he is looking for any combination of what the Board would like to do.

The fencing needs to be done, eventually. It is at a point where it may last another three or four years, or go down sooner. New fencing would last 15 years.

The Phase II technology upgrade involves King's Walk, the office and the website changes needed to be made to be ready for online registration in the fall.

The Phase I technology upgrade is going as planned and smoothly.

The total cost of the two phases is \$102,980.00.

The 4% interest rate offered by Alerus is very attractive, and financing it for five years is an option.

Commissioner Bollman stated he felt a five-year financing package would be the way to go with the low interest rate.

Alerus has guaranteed the 4% interest rate through May 16.

A motion was made by Commissioner Hutchison to finance the Tennis court renovation, Lincoln tennis court fencing and Phases I & II of the technology upgrade for five years at a 4% interest rate. Seconded by Commissioner Jeske; motion carried.

TRENT OLSON SUBDIVISION

Commissioner Hutchison stated the original plan was for that subdivision to dedicate the land to the Park District, but then realized it would have to be mowed for a long time. The subdivision has not yet been annexed by the City. Instead of dedicating the land, it is now at a point where a cash payment in lieu of land dedication is the offer.

The development of that subdivision is a long time away. There is also more land out there to dedicate.

Commissioner Hutchison and John Staley both stated they would like to see the Park District take the land instead of the cash.

A motion was made by Commissioner LaDouceur to accept the \$8000.00 cash payment in lieu of the land to satisfy the 8% land ordinance. Seconded by Commissioner Hutchison; motion carried.

ADJOURNMENT

A motion was made by Commissioner LaDouceur to adjourn. Seconded by Commissioner Jeske; motion carried.

John Staley, Clerk

Jim Bollman, President