

Special Meeting Minutes of the
Gurnee Park District Board of Commissioners
October 1, 2013

President Jim Goshorn called the meeting to order at 6:00 p.m. and led the pledge of allegiance. He asked for roll call. Commissioners present: Gerry Crews, Libby Baker, Michelle Klemz, Vicki Paddock and Jim Goshorn. Commissioners absent: none. Also present: Susie Kuruvilla, Executive Director; Jeff Reinhard, Supt. of Parks; Michael Szpylman, Supt. of Business; Scott Crowe, Supt. of Recreation; Jennifer Gilbert, Marketing/PR Manager; David Phillips and Mark Jeretina representing Speer Financial, Inc. and Suzanne Gage, Administrative Assistant. There were no other visitors.

President Goshorn announced that a proposal had been received from Robert W. Baird & Co., Inc. Milwaukee, WI, for the District's \$8,510,000 General Obligation Park Bonds (Alternate Revenue Source), Series 2013A, to be issued for the purpose of acquiring land and improvements currently known as "Gold's Gym" and altering, repairing, improving and equipping the same for use as a recreation and fitness center and for the payment of the expenses incident thereto.

The Director clarified that there was an error in the director's report. The issue for approval today is \$8,510,000, not \$8,500,000. She also stated that an additional \$1,990,000 will be issued in January 2014.

President Goshorn introduced Dave Phillips, Vice President of Speer Financial. He introduced Mark Jeretina from their office who wrote the official statement. GPD staff went through a ratings process with Standard & Poor and received a AA+ rating. Bids were taken today and bidders were very responsive. The shutdown of the federal government today was not detrimental to the bidding process. There were five bidders and 27 bids received. Robert W. Baird & Co., Milwaukee WI was the winning bid at 4.2982% interest rate. The District will generate about \$8,367,000 of the issue as proceeds for capital project purposes. The second issue for \$1,990,000, Series 2014A, will be issued in January 2014. He recommended the acceptance of the low bid. He explained why the issue is being split into two amounts. There is an advantage to bank qualification if you issue under \$10 million in a calendar year. Susie thanked Dave and Mark for the great work.

ACTION ITEMS

A motion was made by Libby Baker to approve the low bid from Robert W. Baird & Co., Inc. Milwaukee, WI for the issuance of \$8,510,000 in General Obligation bonds at a true interest rate of 4.2982%. Motion seconded by Gerry Crews. Commissioner Crews commented that an interest payment is due in December. The Director stated that it will be paid from the Capital Replacement Fund. Roll call vote taken. Ayes: Crews, Klemz, Baker, Paddock and Goshorn. Nays: none. Absent: none. Motion carried.

A motion was made by Michelle Klemz to approve Ordinance 13/14-4 for the issue of \$8,510,000 General Obligation Park Bonds (Alternate Revenue Source), Series 2013A, of the Gurnee Park District, Lake County, Illinois, for the purpose of acquiring land and improvements currently known as "Gold's Gym" and altering, repairing, improving and equipping the same for use as a recreation and fitness center, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds. Motion seconded by Libby Baker.

Roll call vote taken. Ayes: Crews, Klemz, Baker, Paddock and Goshorn. Nays: none. Absent: none. Motion carried.

The Director updated the Board on the status of Nations Project. The closing is scheduled for October 15 at 1:30 pm at Chicago Title in Vernon Hills. The plan is to close the building for two weeks and then reopen to the members. Responsibilities are being split into five areas: Director Kuruvilla- acquisition; Scott Crowe - operations, interviewing Gold's Gym employees and hiring for the facility manager position. Mike Szpylman - membership sales and finances; Jennifer is in charge of marketing and branding; Jeff is in charge of all physical changes to the facility.

Susie also noted that the tenants will be handled by a commercial real estate attorney. The tenants can remain until the end of their current leases if they adhere to the lease terms and conditions. The District has communicated to current members of Gold's Gym via a flyer at the front desk.

Commissioner Baker asked about options for current members. GPD will start selling memberships the day after closing. They can buy their membership on the 16th and work out at Hunt Club or buy it effective 11/1 and start using it after the new facility opens. If current members have pre-paid for services and they are current with payments, the owner will give the Park District a credit at closing and that will then be applied toward the individual's new membership.

The Director discussed future upgrades to the pool; however, it will be cleaned and opened immediately upon opening the facility.

Commissioner Crews asked for an action plan or overview explaining the stages planned for upgrading the building. A PowerPoint will be prepared for the Board in the next two months or so.

President Goshorn suggested that if time is short, painting the inside of the building is more important than painting the outside immediately.

Commissioner Crews and President Goshorn were thanked for their guidance and counsel in the process.

A motion to adjourn was made by Vicki Paddock and seconded by Gerry Crews. On voice vote, all voted aye. The meeting adjourned at 6:40 pm.

James G. Goshorn, President

Michelle Klemz, Secretary