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**NILES PARK DISTRICT**  
Minutes of Special Meeting  
Virtual Meeting  
Thursday, August 27, 2020  
5:00 p.m.

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**BOARD MEMBERS** Julie Genualdi, President  
Dennis O'Donovan, Vice President  
Joe LoVerde, Treasurer  
Jim Hynes, Commissioner  
Scott O'Brien, Commissioner

**ATTORNEY**  
**PRESENT:** Dan Shapiro, Attorney  
Myk Snyder, Sphere Communications

**STAFF MEMBERS**  
**PRESENT:** Tom Elenz, Executive Director; Scot Neukirch Finance Director;  
Heather Petrie, Executive Administrative Coordinator

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1. **CALL TO ORDER**  
President Genualdi called the meeting to order at 5:00 p.m. via video conferencing software.
2. **PLEDGE OF ALLEGIANCE**  
President Genualdi led the pledge of allegiance.
3. **ROLL CALL**  
All Commissioners were present.
4. **CHANGES TO THE AGENDA**  
No changes were made to the agenda.
5. **PUBLIC COMMENTS**  
This special meeting was held to provide the residents of Niles an opportunity to give feedback regarding the recent development of the YMCA taking over the Niles Family Fitness Center.

Before public comments were made, Attorney Shapiro provided the following guidelines for how the meeting should be conducted:

- Each person making public comments is allowed 3 minutes to speak
- Please stay on topic
- Provide your name and where you're from

Executive Director Elenz proceeded to read the emails he received.

The first email was from Niles resident Kevin Erazo. Mr. Erazo suggested hiring a consulting firm to improve inefficiencies and help make the business more profitable. If that is not possible, he suggested a change in operational management, as having an outside perspective may help improve the overall business. He also suggested monthly meetings between stakeholders and the various family facilities in Niles to have an open discussion.

The next email was from Niles resident Kathleen Azzi. Ms. Azzi stated that she is a member of the Niles Family Fitness Center. She stated that the Niles Park District should be given the opportunity to operate the Niles Family Fitness Center. She also suggested that instead of raising property taxes for the residents of Niles to fund the fitness center, the Village should end the practice of giving employees and family members free memberships, and perhaps charge them 50% of the standard membership fees.

The third email was from Heidi Zielke, Niles resident. Ms. Zielke stated that she has been a resident of Niles for more than 20 years, is an active member of the Niles Family Fitness Center, and also utilized the classes, programs and camps offered by the Niles Park District. She supports the idea of the Niles Park District taking over the Niles Family Fitness Center rather than the YMCA. She stated that in her personal experience, the YMCA is more expensive, run down, has bad staff, and theft. The programs that the YMCA says it will bring to the community are already offered by the Niles Family Fitness Center and the Niles Park District. She also stated that the staff of the Niles Park District are more professional and competent than that of the YMCA.

The last email was from Barbara Hilbrich, Niles resident. Ms. Hilbrich stated that she has been a Niles resident and homeowner for more than 28 years. She currently works at the Niles Family Fitness Center and believes that the Niles Park District taking over the Niles Family Fitness Center would be a benefit to the residents, members of the fitness center, and the employees of the fitness center.

## **6. NEW BUSINESS**

### **A. Consideration of a request to the Village of Niles to give the Niles Park District the opportunity to discuss the possibility of operating the Niles Family Fitness Center**

The park board recently learned the Village entered into a lease agreement with the YMCA to run the Niles Family Fitness Center. Tonight's board discussion will be about requesting that the Village give the park district the opportunity to discuss the possibility of the park district operating the Niles Family Fitness Center.

President Genualdi began the discussion by thanking everyone participating on the call and providing their feedback. She went on to say that reaching out to the Village to discuss the possibility of operating the fitness center would provide endless possibilities for expanding all the aspects of the Niles Park District programming that our residents and patrons seem to love and benefit from. She looks forward to the potential of this proposition.

Treasurer LoVerde added some comments that he wanted to be conveyed to the Village, in order to get a fair lease agreement. In drafting our letter to the Village, we first need to get the terms of the agreement, such as how many years is it, what is the utility cost, who is paying the utilities, maintenance costs, insurance costs, who is responsible for the capital improvements, fitness equipment replacement, how many current members do they have, what is the current annual revenue, current annual expense, are there any additional costs being incurred on the Village side in terms of computer software, hardware, telephone systems and personal security.

Treasurer LoVerde also wanted to address some comments made about taxing bodies at the recent Village meeting. At one point the Village said that the true benefit of having the YMCA take over the fitness center as a partner would be the tax relief it would provide the residents of Niles. He went on to clarify why that's not entirely factual. The fitness center was originally set up as an enterprise fund, just like a private business. Incoming revenue covers all expenses without the use of property tax. If expenses exceed the revenue, money is then borrowed from the general fund. When the enterprise fund recovers, it then pays back the general fund. In the case of the fitness center, that never happened. So, if the park district operated the fitness center and broke even, there wouldn't be any property tax involved. The taxpayers would not be asked to subsidize anything. Only if it continued to lose money, would we have to borrow from the general fund and subsequently increase the property taxes.

Commissioner O'Brien asked that the request to the Village go out as soon as possible. He also acknowledged all the meeting participants and thanked them for being on the call. He also stated he's pleased to know there is an opportunity to enhance the Niles Park District by adding the Niles Fitness Center. He believes the park district is the best suited partner for the Village of Niles and looks forward to said partnership. The park district brings programming, safety, attention to appearance and aesthetics and a very high financial rating. By operating the fitness center, the park district will be able to offer more and diversified programming.

Commissioner Hynes stated that he would like to see the Village open up an RFP process, providing us with all of the information mentioned by Treasurer LoVerde and more. So that we can review it and determine if it is compatible with our existing programs.

Vice President O'Donovan stated that this is potentially a big opportunity. People may not realize that the park district uses other facilities outside the park district such as Notre Dame and North Ridge Prep. This could benefit many of our other programs. We could

potentially have an opportunity to open up jobs also.

An anonymous question was asked if the Village of Niles does not allow the Niles Park District to offer a proposal will the Niles Park District go to court to get a restraining order to stop the lease agreement?

Another online comment was made that the Niles Family Fitness Center has made very little effort to attract new members. Will the current managers of the Niles Family Fitness Center be replaced?

Rich Mangold, Niles resident: feels that the Village is trying to rush this process, and has a list of question he will be submitting to the Village. He also expressed doubt as to how economically responsible the YMCA is with area YMCAs closing recently.

Carol Mangold, Niles resident: offered any help to the board in support of this endeavor.

Carol Barkowitz, Niles resident: expressed her interest in seeing the fitness center under the operation of the park district.

Denise McCreery, Village Trustee, Niles Resident: wanted to let listeners know that she believes she is not the only trustee on the call and that they are listening to everyone and their opinions weigh in their decision.

The board directed Attorney Shapiro to draft a letter to the Village asking for the opportunity to discuss the possibility of operating the Niles Family Fitness Center, and also request an RFP. The board would like the letter to include a statement asking for an immediate answer to whether or not the Village will consider the park district as a possible option for operating the fitness center.

Karen Papucci, Niles Resident: an employee of the fitness center who asked whether or not the current fitness center employees would be able to keep their jobs if the facility is operated by the park district.

Craig Niedermaier, Village Trustee: the board has already done a comprehensive consultant study.

A motion was made by Commissioner Hynes and seconded by Vice President O'Donovan to submit a letter to the Village of Niles requesting the opportunity to discuss the possibility of the Niles Park District operating the Niles Family Fitness Center. Recording Secretary Petrie called the roll:

President Genualdi	Yes
Vice President O'Donovan	Yes
Treasurer LoVerde	Yes
Commissioner Hynes	Yes
Commissioner O'Brien	Yes

The motion passed 5-0.

7. **MISCELLANEOUS**

There were no miscellaneous comments.

8. **ADJOURNMENT**

A motion was made by Vice President O'Donovan and seconded by Commissioner Hynes to adjourn the Special Board Meeting. Recording Secretary Petrie called the roll:

President Genualdi	Yes
Vice President O'Donovan	Yes
Treasurer LoVerde	Yes
Commissioner Hynes	Yes
Commissioner O'Brien	Yes

The motion passed 5-0.

**APPROVED:**

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**President  
Board of Commissioners**

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**Board Secretary**

**Date: August 27, 2020**