

PARK BOARD MEETING

October 12, 2020

Pursuant to due call and order, the Board of Park Commissioners, Dickinson Park District, met for a Regular Meeting at 4:00 pm, Monday, October 12, 2020 at the West River Community Center.

ROLL CALL: Present were Commissioners Scott Kovash, Tim Daniel, Scott Karsky, Jo Marie Kadrmass and Zach Keller. Also present were Executive Director James Kramer, Director of Recreation/Facilities Matt Mack, Director of Buildings/Grounds Craig Pearson, Attorney Randall Sickler and Clerk Leah Hoenke.

APPROVAL OF MINUTES: MOTIONED BY: Jo Marie Kadrmass; SECONDED BY: Scott Karsky to approve the September 14 and September 25 meeting minutes. Roll Call Vote: Ayes-5; Nays-0; Absent-0. Motion carried.

CLAIMS: MOTIONED BY: Tim Daniel; SECONDED BY: Zach Keller to approve September Claims in the amount of \$404,201.76. Roll Call Vote: Ayes-5; Nays-0; Absent-0. Motion carried.

BUILDINGS/GROUNDS

Director of Buildings/Grounds Report (Craig Pearson) – Director Craig Pearson reported on facilities and said everyone is in winterize mode. He said at WRCC the outside pond has been winterized, irrigation at all facilities has been blown out and staff is working on cutting down landscape plants. He said they will be putting the laser on the Zamboni that is in Charbonneau rink and next year at this time we'll decide if we'll put it on the other rink. Director Pearson said that X Dukart is on his last few months before retirement and together the staff is working on a plan and making sure everything the staff is comfortable before he leaves. He said in the parks, restrooms have been winterized, irrigation systems blown out, new park signs are being installed. They removed a tree from college park and grounded down the stump and will continue working on rest of the trees throughout the parks until the snow flies. He also said they are putting in a new shelter at Hospital Park and the rest of work will be clean up as leaves start dropping and preparing for winter. Director Pearson reported on golf course grounds and said it is the last to be winterized; irrigation will be blown out next week depending on weather. He said restrooms are shut down and winterized. Staff is in process of blowing leaves off of fairways, picking up branches and keeping up greens. He said they are also still doing tree removal as much as they can in house and will have tree service come in once it snows.

RECREATION/FACILITIES

Director of Recreation/Facilities (Matt Mack) – Director Matt Mack reported on the golf course that beginning October 1 they are opening at 9:00 am depending on frost and weather conditions; open 9 to sunset. He said they have 4-5 teams signed up for the Last Chance Golf Tournament this Saturday. He reported on Patterson Lake saying that the blue green algae warning has been lifted. On the recreation side, he said swim lessons start this evening, fall curling league has wrapped up along with flag football and kickball. Fall volleyball is still running and going well. He said registration is open for adult winter curling, basketball, futsal and winter volleyball. Director Mack reported on public skate that has been running with 150 skaters as the capacity; he said it has been busy and full. He then updated the Board on user groups related to COVID. He said the Dickinson Hockey Club is following USA Hockey guidelines along with the high school rules. They are not allowing use of locker rooms right now with the exception of tournaments and not allowing locker use for practices. He said they are limiting fans to 2 people per player allowed at the games as well. He also said the Hockey Club will be posting on the ND Amateur Hockey Association's website where everyone across the state will post their guidelines as well so that visiting teams know what to follow. He then reported on the Dickinson Dolphins and said they use USA swimming guidelines which is pretty strict. They are limiting swimmers per lane, more spaced out, limiting time on deck. Currently the girl's high school meets are limited to swimming duals, with 2 parents per swimmer allowed. He said as far as our programs go, we've had to take a look at what we can do and what we can't do. We've decided it is in our best interest to cancel the Halloween party at ice center and will have an open skate in place of that. He said that event attracts a lot of people as well as the Fall Optimist Basketball Tournament. In working with the Optimist Club, the tournament has been cancelled mainly because of amount of spectators it brings and gym situation only allows us use of 4 gyms and they feel it won't be a quality event.

BUSINESS/FINANCE

Approval of Pledged Securities (Attachment #1) – MOTIONED BY: Zach Keller; SECONDED BY: Jo Marie Kadrmas to approve pledged securities. Roll Call Vote: Ayes-5; Nays-0; Absent-0. Motion carried.

Financial Statement (Attachment #2) – Executive Director James Kramer reviewed the September financial statement. He said the revenue is slightly down from last year and said he'll give more details in the quarterly presentation.

MDU Easement Request (Attachment #3) – Director Kramer said this is the MDU electrical line easement that our attorney Randy Sickler has been working on with MDU – we now have in final agreement form. He said the unique part is we are doing an easement for land we don't own yet until the conveyance goes through with the Bureau of Reclamation. Attorney Sickler said this is the form we arrived at and there are a couple points we wanted which were an indemnity and hold harmless for the Park District, as well as requested that this is a non-exclusive agreement meaning we can allow other utilities. He said MDU wanted a 99 year term and we asked them to reduce and they have agreed to a 99 year or when the company is done with the use of the easement. He said they didn't initially offer any cash payment or consideration and now have said they will pay approximately \$2,000 for the land. MDU said they haven't heard from the Bureau of Reclamation in two months and they want to move forward. They suggest that if the Board is good with this format, they will send us the agreement in an electronic format that can then be forwarded to the County Recorder. Randy Sickler said his recommendation is to approve saying it is in a form that is consistent with most utility easements. MOTIONED BY: Jo Marie Kadrmas; SECONDED BY: Scott Karsky to approve the MDU Electrical Line Easement. Roll Call Vote: Ayes-5; Nays-0; Absent-0. Motion carried.

Pinecrest 2nd Addition (Attachment #4) – Director Kramer reviewed Pinecrest 2nd addition plat map. He said Blake Carlson is the Director of Development through Design Resources Group out of Fargo who bought this piece of land from Meyer Group which originally was more than a 400 acre development. He said it is frustrating to separate from the big picture but this is what is being brought to Planning/Zoning for final approval. They reduced down the lots to 26 in order to make their retention pond bigger, the rest will be Ag land that will be turned into commercial. He said the cash in lieu will be \$13,000 and said the size is not enough to do a park and doesn't fit into their residential plan as it sits now. They agreed that the very southwest and northeast corner are potential areas they are willing to discuss as potential park land in the future. The City has said they will assist us in identifying land to the west as well. Director Kramer said that Walter Hadley said that will give us another opportunity for land and he will help go through Roers and Westridge to see if there are other opportunities for park land. He said even if we take land here it is not ideal to have a park off of that busy road. The one on the southwest corner by Cornerstone Bank may be a little better. He said in the big picture, we need to find a piece of property in this area. Director Kramer said his recommendation is for the time being, we take cash in lieu for this first phase and work to find other opportunities in the area. President Scott Kovash said he likes the plan that Walter Hadley has and we need to try and get something there some day. Director Kramer also commented that when they allow residential and Ag land - the ordinance doesn't allow us to get any part of Ag land. He said somehow we get missed in the process when it gets converted from Ag to commercial. Commissioner Jo Marie Kadrmas asked about the cash in lieu, do we have the money available for a two acre park. Director Kramer said the money goes into the Park Land Development Fund – all the money from cash in lieu agreements are in this fund. He said some money gets spent to enhance other parks. Commissioner Kadrmas asked if the area by Cornerstone Bank is an ideal spot for a park. Director Kramer said he thinks it is a good spot but we may need to put in a parking lot in the area for parking purposes. Commissioner Zach Keller asked about when the City approves this addition are we ever consulted or do they make those decisions on their own. Director Kramer said when the developer goes to the City they go through Planning/Zoning which we have Commissioner Scott Karsky as a representative on that Board. He said Planning/Zoning does not do a final approval until we sign off along with other entities. He also said in most cases we probably got what we were after in 90 percent of developments. President Scott Kovash entertained a motion. MOTIONED BY: Zach Keller; SECONDED BY: Scott Karsky to approve cash in lieu for Pinecrest 2nd Addition. Roll Call Vote: Ayes-5; Nays-0; Absent-0. Motion carried.

Benefit Termination Letters (Attachment #5) – Director James Kramer said this is for informational purposes. He said we are working with the North Dakota Public Health Insurance Trust (NDPHIT) to take over our insurance and benefits. We

are getting ready to do our open enrollment with employees and these letters are to notify the other companies of our termination. He said in December we will need to make a motion to pay the initial one month premium. He said NDPHIT is a brand new trust and has 26 public entities signed up with the first year rate locked. In July, NDPERS rates were going to go up and with the NDPHIT we have more control over that; the money goes into the trust and we have voting rights. He also said this company is really big into school districts insurance and the North Dakota Insurance Reserve Fund was the backbone of how this started.

Patterson Lake Land Conveyance (Attachment #6) – Director Kramer stated that this is the land conveyance agreement, he said if you recall the Park District had a management agreement for Patterson Lake even though it was Federal property. There was a Memorandum of Agreement that was passed by this Board and ultimately became the Land Conveyance Agreement with the quick claim deed. Our attorney, Randy Sickler has been working on this for a long time and finally feels comfortable with this agreement. He said with what we had to work with the Federal legislation in place, Randy has done a great job to protect our liability and interest as much as possible. He said the Land Conveyance Agreement identifies the agreement along with quick claim deed on pages 11-16. He also said pages 17-61 are the exhibits that they referred to in the previous documents. Exhibit A is all descriptions of land we will be obtaining, Exhibit B is amount of acreage in all the sectors; Exhibit C is the environment site assessment that we had to go through and do an assessment on; Exhibit D is the memorandum of agreement that identifies all areas where there are potential historic sites at Patterson Lake. He stated that Attachment 1 on page 37 identifies the lands to be transferred. Director Kramer reviewed the map showing the Game and Fish offices where the Bureau of Reclamation will have to step in to identify their access. He showed areas that the Bureau kept like the spillway and floodplain areas, etc. He said all of HRGC land will transition into our land, all cabin sites, any designated recreation land and all wildlife management land along with several remote areas that are inaccessible, basically all land on the west end will become our land. Director Kramer said there are some limitations on what we can and can't do on our land referring to hunting and said the next step for us is we need to identify hunting access, possibly post if needed. He said all of that hunting land is included in the conveyance. He then said the last Exhibit F on pages 60-61 shows the existing agreements that were in place. He said the process is, if everyone is in agreement we will set up a place and time to sign with a notary present along with a ceremonial signing with Senator Hoeven at the end of the month. He explained that we have the new cabin owner permit with all 41 cabin owners; 38 are signed and returned, waiting on last 3. Attorney Randy Sickler said it was a process that you had to choose your battles and we narrowed down to the items that were of critical importance; most important ones were until last week there were indemnity and quick claim deed if the Park District would have to reimburse the Federal government. For example if someone claims this is unconstitutional, and there was a law suit we would have to reimburse the government for expenses incurred. He said in the end they agreed to remove the indemnity provisions and he said he felt that was important. He said Exhibit F listed a variety of agreements the Bureau had with others which is now roughly half of what they started with. He said they are mostly utility easements. Director Kramer thanked Randy and his staff for all the time and effort involved. President Scott Kovash thanked him as well and said this is where James' experience was priceless and that he had a lot of knowledge from years ago that was helpful in the process. Commissioner Jo Marie Kadrmas asked about any red tape involved – as we acquire this land will we hit any roadblocks. Director Kramer said he doesn't think we will get hit with a lot of roadblocks but there are a ton of limitations we will have. We can't ever sell any of this land unless the Bureau agrees and then they will get the money because of the legislation that went through. We have to sell the cabin site land to homeowners and we have to keep doing what we are doing now. He said there is potential for income with haying contracts, permits with cabin site owners that choose not to purchase their lot. He said there will be loss in revenue from lease payments, if all homeowners purchase their land. He said all cabin site land sales go to the Federal government. Discussion followed on expenses that it took to convey the land we can't get reimbursed for. Director Kramer said moving forward any expenses we have incurred in the process of selling the cabin sites we could be reimbursed for. He said there is approximately \$80,000 in fees we have been paying and hopefully will be reimbursed. President Scott Kovash said unless there are any questions, he asked for a motion. MOTIONED BY: Scott Karsky; SECONDED BY: Tim Daniel to approve the Patterson Lake Land Conveyance Agreement between the Federal Government and the Park District. Roll call vote: Ayes-5; Nays-0; Absent-0. Motion carried.

Quarterly Presentation – Director James Kramer reviewed the General Fund, showing revenue at \$3.1 million from taxes, HRGC, ice center and Patterson Lake. He said the vast majority of revenue is HRGC along with tax revenue which were

not affected by the COVID-19 shutdown. He said we are trying to increase our beginning balance. To date, general fund balance is \$845,000 which will come down but will be one of our better years. He showed Patterson Lake and said with the conveyance we will be losing a large revenue source from cabin site lease payments. He said our budget used 12 sites that were not going to buy their lots and he thinks that may be higher, saying he has heard from some cabin owners that do not want to buy their sites. He said Patterson Lake daily visits are up, camping is up and are both good revenue generators for us. Director Kramer then reviewed West River Ice Center which was hit by the shutdown. He said we lost a lot of rental income; showing a loss of \$81,000 through end of September but by end of year that number should turn around. Currently looking at a 3 year comparison our net loss is substantially higher than previous 2 years. He then showed HRGC revenue, season passes were up along with green fees. He said keeping in mind our volume is up but there was also a fee increase in 2020. This year revenue is at \$588,959.21. Pro shop revenue is down but net looks good because Mike Rademaker did a good job of controlling his expenses. He said all in all the golf course was a really good year. He pointed out 18,900 rounds in 2020 and Recreation/Facilities Director Matt Mack said season passes increased by 19 from last year. He compared the rounds which show 600 more rounds compared to last year in September. Director Kramer then moved on to the West River Community Center and said here's where the numbers get sad. Total fund balance is showing over \$300,000 in the hole. He said we had a meeting with the Mayor and City staff members to try and get reimbursed for the lost revenue. He said when we reopened in May we started to ramp up and now things are going south again in last 30 days. Typically this is the time of year that things quiet down and usually ramp up closer to end of year. He showed 3 month memberships dropped substantially and annuals is where we see the biggest drop. Director Matt Mack showed the memberships as of end of September, 5,528 annuals, 490 3-month, and 106 1-month memberships. Looking at last month we are down 500 memberships in 1 month. He said one of the factors is the public schools renewal and there were a lot of members that did not renew during that open enrollment. He said if you look at 2019 at end of September we were at 6,805 memberships. He also said usually in September we see a dip after summer passes expire. Director Mack said we will do some membership specials, look at possibilities of getting back some of those memberships. Commissioner Jo Marie Kadrmass asked about the meeting with the City and where does the money or agreement come from. Director Kramer said with the initial election for the sales tax increase back in 2002, we were entitled to the extra half percent sales tax increase. He said this is the first year we will ask for a reimbursement from that reserve fund. Director Matt Mack went on to show numbers at the outdoor pool, saying that any outdoor activities were record numbers and good revenue with the outdoor pool being up \$10,000 from a year ago. He said this year the day passes were bigger and we were open 75 days, only closed 5 days for weather issues compared to 13 days last year. Commissioner Zach Keller asked about what decides the closing of outdoor pool when we do. Director Matt Mack said it is mostly a staffing issue that drives that date with lifeguards going back to school. Director Kramer then reviewed park reservations were down quite a bit from last year. He said we had 33 reservations that were cancelled because of COVID concerns and a lot of family reunions and businesses did not plan their usual events where they would book a shelter.

Executive Director Report (James Kramer) – Director James Kramer had nothing more to report.

Legal Counsel Report – Randy Sickler had nothing more to report.

Adjournment – MOTIONED BY: Zach Keller; SECONDED BY: Tim Daniel to adjourn the meeting at 5:23 pm. Upon vote, all aye. Motion carried.

PREPARED BY:

APPROVED BY:

Clerk

President