

BUDGET/FACILITIES COMMITTEE MEETING NOTES

Wednesday, February 28, 2024; 11AM

Depot Board Room

Attended: Commissioner Joe Deutsch, Commissioner Aaron Hill, Commissioner Dawn Morgan, Commissioner Jerry Rostad, Commissioner Vicki Dawson (via MS Teams), Susan Faus, Dave Bietz, Broc Lietz, Luke Evenson, Carolyn Boutain, Tony Schmitt, Tyler Kirchner, Cindy Girdner, Paul Grindeland, Tori Benders, Carmen Johnson, Paul Jensen, Green Way 2 Go and member of local clean energy group, and Jodi Buzick

- Annual Budget Reviews

- a. 2023 Year-end Financial Review, Luke Evenson, presented.
Board Income Summary Statement. All of 2023 includes four different financial funds; general, debit service, capital projects and VSS. Revenues is money brought in during the year. In charges for services there was more money received in the golf department than what was budgeted. Almost \$700,000.00 more in green fees, pass fees, etc. Discussed that due to the retail component of golf revenues, there is more unknown. It is an estimate because of the retail nature.

Inter-governmental line. Staff explained that sales tax is collected and remitted to the state, then to the city with 30% of the sales tax revenue remitted to the park district. It is hard to estimate based on what is collected each year.

Investment income. Took advantage of high fund balances as well as interest rates banks offered on CD and money market funds.

Employee benefit for health insurance. Discussed a significant increase in expense. Underbudgeted for 2024 and will need to readjust for 2024 and 2025. There were a lot of high claims in 2023 that were not budgeted.

Capital equipment and improvements. \$670,000.00 in equipment from 2023 has still not been received. Will not pay for this equipment until it is received. Discussed equipment not received is a mixture of large and smaller equipment.

- b. 2024 Annual Budget Review, Broc Lietz, presented.
Review of the budget adjustments that were done for 2024. As a result of mill levy reduction through the county the park district has adjusted the line items that were approved by the board at the December 23, 2023, meeting. Interest income in year end of 2023 is directly tied to revenue received from bond issues. In 2025 year-end will see a nice return. Discussed the adjustments did not result in departments to reduce their budgets. Discussed receiving city assessors report and understanding assessed values heading into next year and continue to monitor for 2025.
- c. 2025 Budget Process/Timeline, Luke Evenson, presented.
Discussed bringing to the board around April - May timeframe. An earlier time will allow more time for the staff and board. Discussed staffing being in the

forefront so those decisions can be made for the 2025 budget. Discussed incorporating back into the budget long range capital planning. The vision is to look at larger scale on capital planning. Discussed projects known to be done in the future, what must be done today to make that happen. Susan added working with departments and staff on this process. Being more intentional to tell a story to the public for the large-scale purchases helps explain funding and need.

- **Consideration of Fargo Moorhead Trailbuilders Request for Trail Extension**

Tony Schmitt, presented. Staff and Fargo Moorhead Trailbuilders have discussed to construct and maintain an approximately seven-mile single-track trail extension on primarily City of Fargo owned property. The trail extension, if approved by the board of the City of Fargo, would include the Forum Tower on 40th Avenue South to Lemke Park on 32nd Avenue South, behind the levee along South River Road and Hackberry for a single-track segment.

Discussed staff concern with how it will be maintained. Discussed Fargo-Moorhead Trailbuilders applying for a \$50,000.00 trail grant with park district support as a solution with the goal to purchase better brush equipment to maintain the trail for more efficiency. Updated signage involved in this grant. Commissioner Dawn Morgan asked if there was increased liability. Dave Bietz discussed our partnership with the Fargo Moorhead Trailbuilders. The park district is still covered under recreational immunity. If proof of negligence the park district does not act on, the park district will be responsible.

The staff is in support of this extension with City of Fargo and Fargo Moorhead Trailbuilders. It will not involve more work for the Fargo Park District.

The committee recommends moving this to the full board and place it on the Consent Agenda for consideration and approval.

Bring to the Full Board: March 12, 2024

- **Review bids for 2024 Park District Fencing Projects**

Tony Schmitt, presented. Bids were received and opened February 8, 2024, for fencing projects at the North Softball Complex and South Maintenance Shop.

Four bids were received. Precision Fencing with a bid of \$32,910.00 for the North Softball Complex, with a bid of \$62,259.00 for the South Maintenance Shop. Newman Signs, Inc., dba Newman Quality Fences with a bid of \$34,289.00 for the North Softball Complex and \$51,296.00 for the South Maintenance Shop. American Security and Gate Company with a bid of \$20,887.00 for the North Softball Comple and \$41,785.00 for the South Maintenance Shop. Dakota Fence with a bid of \$34,297.00 for the North Softball Complex and \$63,689.00 for the South Maintenance Shop. Discussed American Security and Gate did not meet specifications, they bid both projects high end specifications, which was only for the North Softball Complex.

Discussed American Security and Gate and the park district not having worked with them before. Maintenance will watch their work.

Staff recommended accepting the bid from Precision Fence for the North Softball Complex fencing project, for a bid of \$32,910.00; and accepting the bid from American Security and Gate Company for the South Maintenance Shop fencing project, for a bid of \$41,785.00. The bids met all specifications, are the lowest bids, and within budget.

The committee recommends moving this to the full board and place it on the Consent Agenda for consideration and approval.

Bring to the Full Board: March 12, 2024

- **Review Amendment No. 2 to Restaurant Lease for Edgewood Golf Course**

Carolyn Boutain, presented. Discussed document created with Jeff Gunkelman and Spirit Properties. They are good tenants. To be more successful or cut their costs they are needing to limit hours in the winter. Current lease does not address that. Over the period working with the park district, they have adjusted hours than what was in original lease. The lease is to review what has been done last year and what would we like to do this year. The renewal is up this year. Asking committee to move to the board and have the new lease signed.

The committee recommends moving this to the full board and place it on the Consent Agenda for consideration and approval.

Bring to the Full Board: March 12, 2024

- **Review bids for 2024 Concrete Projects**

Tyler Kirchner presented. Opened bids February 15, 2024. The projects were broken into two. Project A includes Brunsdale Park NE and Brunsdale Park SW, Oak Grove Park, and Brandt Parking. Project B includes Longfellow Park and Add-Alternate, Pepsi Soccer Complex, and Tharaldson Little League Complex.

Six bids were received. Staff and the engineers recommended Project A to Master Construction Company, Inc. with a bid of \$556,757.00. The Engineer's Estimate for Project A is \$745,376.00. Staff and the engineers recommended Project B to Master Construction Company, Inc., with a bid of \$711,297.50. The Engineer's Estimate for Project B is \$1,013,584.50. The bids met all specifications and are well within our concrete budget of \$1,500,000.00, along with funds awarded in the amount of \$534,694.00 from the State of North Dakota Park System Renovation Grant.

Discussed the difference in budget for each project. Project A is a savings of \$188,000.00 and Project B is a savings of \$302,000.00. Discussed the savings due to supply chain issues.

The projects were large, and it was requested they be broken into two. Dave Bietz added the flexibility being beneficial.

The committee recommends moving this to the full board and place it on the Consent Agenda for consideration and approval.

Bring to the Full Board: March 12, 2024

- **Review updated Valley Senior Services Transit Drug and Alcohol Testing Policy**

Cindy Girdner, presented. North Dakota Department of Transportation has required a change in their policy. The word urine had to be removed, it is now specimen. An oral swab will be used for testing. The only change was wordage, everything else is the same. Drivers and dispatchers are all required to be drug tested. Tested upon hire and random.

The committee recommends moving this to the full board and place it on the Consent Agenda for consideration and approval.

Bring to the Full Board: March 12, 2024

- Other

Dave Bietz gave an update regarding encroachment options with the homeowners by Rheault Farm.

Notes submitted by Jodi Buzick, Administrative Specialist