Planning Committee Meeting
Wednesday, July 15, 2026; 8:15 a.m.
Fargo Parks Sports Center
Alex Stern Boardroom

Present: Zoe Absey, Vicki Dawson, Joe Deutsch, Susan Faus, Jayne Gust, Tony Schmitt, Tyler Kirchner, Luke Evenson

Public Comment: Members of the public were afforded the opportunity to discuss issues with the Board. There were none.

Consideration Covey Ranch Developers Agreement
Tyler Kirchner, presenter

- Location & Context
  - 110-acre development south of the Career Academy and 64th Ave S.
  - Part of a larger ~2,400-acre master-planned area focused on regional stormwater management, connectivity, and trail systems.
  - Ties into adjacent developments: Southwest Regional Pond, Lost Creek, Brookstone, and Back 40 Developments
- Park Program & Role in System
  - 6.31-acre park within Covey Ranch; plus, a future 1–2 acre playground area south (to be handled under a separate, future developer agreement).
  - Intended as a neighborhood-scale park with community/regional-level amenities and a major trailhead/destination on an almost uninterrupted 5K corridor.
  - Directly guided by the Park System Master Plan and its Statistically Valid Survey (strong demand for trails, neighborhood parks, natural areas, and special events).
- Key Amenities
  - Multi-purpose building (indoor multi-use space, supports programming and events).
  - Large event shelter (similar scale to Urban Plains; supports larger gatherings, classes/events on adjacent lawn).
  - Multi-purpose concrete rink (four-season use; potential striping for pickleball/basketball, supports programs like NHL Street).
  - Trailhead amenities (including restroom).
  - Concrete and natural trails
  - Prairie/open green space.
  - Placemaking/public art node and small outdoor classroom pods integrated into prairie areas.
  - Parking Lot
  - Playground: intentionally not in this phase; to be added to the south in a future agreement once that area develops.
- Financial Structure

- Total project estimate: $2.98M.
  - Developer is short on required land dedication and will make a $421,131.20 payment in lieu for Covey Ranch.
  - Because Brookstone Development is nearby and its residents are expected to use Covey Ranch Park heavily, the developer will provide a $239,876.28 payment in lieu of land dedication.
- Remaining cost ($2.3M) to be funded through a special assessment district:
  - Park District fronts the cost (bonds).
  - Cost is special assessed to benefiting lots; over time the district is effectively made whole.

- Process & Timing
  - This agreement is a bit ahead of the normal sequence.
  - Park District intends to build as soon as City infrastructure is in, aiming to be "first in" so buyers know the park amenities at purchase.
  - Playground area and surrounding development to south will follow in future phases.
  - Maintenance acknowledgement that:
    - Nature-based/prairie areas are lower-intensity.
    - Rinks, golf, athletic fields are high-intensity.
    - New concrete multi-use rink is justified by service coverage (fills a geographic gap) and year-round usability.
  - Expectation that future planning work should more explicitly tie level-of-service and maintenance staffing to system growth.

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

<u>Consideration of Riverwood Park Stormwater Outlet Project Repair Bids</u>
Tony Schmitt, presenter

- Location: Riverwood Park on airport-leased land near Pepsi Soccer Complex / North Broadway Park.
- Issue: Significant bank erosion and failure around a stormwater outlet serving the multi-purpose "football/soccer" field.
- Project:
  - Designed by an engineer; permitting took longer than expected, so project moved from 2025 to 2026.
  - Four bids received; low and recommended:
    - Jet Black Industries – $54,500 (within budget; contractor has done smaller demo/asphalt removal work successfully).
  - Target completion: contractors indicate they can likely complete by late August; official completion date goal is October 16.

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

Goose Johnson Partner Appreciation Event
Susan Faus, presenter

- Current: Longstanding Goose Johnson golf tournament at Rose Creek as a partner appreciation event and informal recognition of former leader "Goose" Johnson.
    - Historical cost to district $9,000.
    - Participant base has narrowed; mostly same golfing groups, excludes non-golfers; limited capacity to invite former commissioners/retirees.
- Proposed Shift:
    - Transition to a Goose Johnson appreciation event at the Sports Center:
        - More inclusive and family-friendly: pickleball, turf activities, social spaces, simple food (e.g., hot dogs via concessions), band optional.
        - Better mingling/interaction.
        - Exposes more partners and families to the Sports Center and its amenities.
        - Creates space to honor history and legacy:
            - Visuals of past commissioners, long-time staff, key milestones, photos/slides.
            - Opportunity to highlight Goose Johnson's contributions (including republished historic article).
        - Specific effort to invite former commissioners and retired full-time staff as ambassadors.
    - Budget: projected $5,000–$6,000, depending mainly on whether a band is hired.
    - Timing: Mid–late September, coordinated with Sports Center event calendar; will align messaging with Park District Foundation's golf event (moved to September) to ease the transition for long-time attendees.

2027 Budget Review
Broc Lietz, presenter

- Process & Tools
    - Budget season kicked off in April with broad staff training on process, goals, and expectations.
    - Implementing new budget software integrated with Blackbaud:
        - Replacing many manual spreadsheets.

        - Will support dashboards, real-time reporting, and eventually CIP tracking.
    - Changing how benefits are budgeted:
        - Moving benefit costs out of finance “central pot” and into department budgets so total personnel costs per area are clearer.
        - Requires set-up of multiple benefit lines for each department.
- Revenue Assumptions
    - Property Tax
        - Property tax funds 55–60% of total budget.
        - State law: 3% cap on valuation-based increase, plus unlimited new growth, with the ability to carry unused capacity forward.
        - Strategy: continue to fully utilize 3% annually to avoid losing capacity; 2027 adds:
            - $1.1M in additional property tax revenue over current year (3% + growth after adjusting for exemptions, TIFs, etc.).
    - Charges for Services
        - Recently approved user fee adjustments are now being aligned in the budget models.
    - Intergovernmental (State Aid via City of Fargo)
        - Park District received 30% of the City’s state aid as allowable through state statute.
        - Current assumption: flat at $4.3M for 2027 (no growth, no cut), pending any state changes from the Governor’s 10% reduction directives.
    - Foundation Support (Capital Pledges)
        - For Fargo Parks Sports Center & Island Park Pool, total pledges exceed the pledge-backed loan by about $7M.
        - That “excess” is now being explicitly budgeted as annual foundation support as loan principal declines.
        - For 2027, estimated at $251K, increasing in subsequent years.
    - Interest Income
        - Previously elevated due to large project cash balances and high short-term rates.
        - Now expected to normalize downward: less cash on hand (reserves moving from 45% to 20–25%) and moderated rates.
- Expenditure Assumptions
    - Compensation
        - CPI (Upper Midwest) has moved from 3.4% (March) to 5% (May).
        - Budget placeholder: 4.5% total compensation increase for full-time staff.
            - Final split (across-the-board vs. market/merit adjustments) still under development.
            - Backed by a recent market study completed by HR to address misaligned positions.
    - Benefits

        - Working with Gallagher for health and benefits; self-funded Blue Cross Blue Shield plan + pension are largest drivers.
        - Placeholder: 10% increase for benefits; hope/expectation this may later be refined down after actuarial work (similar to prior year, which dropped to 7%).
        - High Deductible Health Plan (HDHP) added in 2026; >20% enrollment (above typical 5–10% first-year adoption), expected to help moderate cost growth.
    - Utilities
        - Based on Cass County Electric/Xcel info, assuming 3% increase.
- Capital Improvement Plan – 2027 Focus
    - Jack Williams Stadium – lighting replacement.
    - Southwest Regional Pond – trail improvements.
    - Tharaldson Little League – turf project (partnership).
    - Edgewood Irrigation Project – Phase 1:
        - 2027: pump station and preparatory work.
        - 2028: full irrigation system replacement (lead times 12–18 months; large, specialized project).
- Tax Capacity & Legislative Strategy
    - Value of a mill:
        - 2026: $882K.
        - 2027 (projected): $913K (reflects growth).
    - There is ongoing discussion through NDRPA about advocating at the Legislature for:
        - Excluding the 5-mill Park & Facilities levy from the 3% general fund cap.
        - Rationale: that levy functions as a deferred maintenance & capital tool, and counting it against the cap constrains long-term infrastructure stewardship, especially for smaller or slower-growth communities.
    - Commissioners receive a commitment to provide a clear, simple explanation of the 3% cap + growth calculation in a future meeting.

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

<u>Other</u>

Foundation Self-Funding Path

- The Park District contribution to the Foundation is currently $275K.
- Original concept: Foundation fully self-funded by 2030.
- Susan will:
    - Meet with the Foundation Executive Committee to discuss whether to:
        - Maintain the 2030 target with phased reduction, or

        - Adjust timing/approach based on actual fundraising and gaming performance.
    - Bring back input so the district can plan a realistic glide path that supports both district budget health and Foundation sustainability.

Governance, Committees & Calendar

- Committee Assignments
    - Planning: Joe, Zoe, Vicki.
    - Governance: Jerry, Emily.
    - Foundation liaison: Jerry.
- Meeting Cadence
    - Park Board: 2nd Tuesday monthly, except October 5 as a one-off due to budget filing deadlines.
    - Planning: 3rd Wednesday.
    - Governance: 4th Wednesday, with a goal of policy review every other month, canceling intervening meetings when not needed.
    - 2027 calendar will go to Governance for formal approval.

Meeting adjourned at 9:32 am.
Minutes submitted by Carmen Johnson, Executive Assistant