

**MINUTES OF A BOARD MEETING OF THE
RECREATIONAL AUTHORITY OF
ROSEVILLE AND EASTPOINTE
HELD ON THURSDAY, SEPTEMBER 12, 2013**

The meeting was called to order at 6:30 p.m. at the Roseville Recreation Center, 18185 Sycamore, by Chairperson Aiuto with the following Board Members present:

Duchane, Frontera, Marion and Switalski

Administrator present: Director Lipinski

Approval of Minutes:

Motion by Switalski, seconded by Duchane, to approve the minutes of August 8, 2013, as written.

MOTION CARRIED

Discussion and/or Action on Disbursements and Budget Report:

Motion by Switalski, seconded by Duchane, to approve the disbursements and budget report as provided.

MOTION CARRIED

Communications:

Director Lipinski informed the Board that anything on the right hand side of their folder is communications and asked if the Board had any questions or comments. Board Member Frontera asked about the issue with Mr. Hinds regarding who took down the basketball rims. Director Lipinski responded that this happened a while ago and when he called park maintenance it appeared that a resident took the backboards down and the uprights were bent. Board Member Switalski asked is it the intention to replace the basketball nets. Vice Chairperson Duchane replied that it is Eastpointe's intention to replace them when we can figure out how to stop it from happening again.

Old Business: (None)

New Business:

Discussion and/or Action on Proposed Lease Agreements from Breath of Life Christian Church and Eastside Cowboys Athletics for Joint Leasing of Eastpointe Community Center:

Director Lipinski informed the Board that the Lease Agreements are in the packets. Vice Chairperson Duchane asked if all the issues were resolved between the parties. Director Lipinski replied yes and asked if Pastor Collins had any other questions. Pastor Frank Collins (20115 Salisbury, St. Clair Shores) asked if the Authority wants them to maintain their own separate liability insurance for the church or the building. Director Lipinski responded that he should have liability insurance for the church and name the Authority as an additional insured and we would continue our insurance on the building. Pastor Collins informed the Board that his insurance will cover 24/7 because of equipment that they will have in the building and asked if there are any taxes. Director Lipinski responded that he will need to ask the attorney. Vice Chairperson Duchane read Section 7 regarding fire insurance and would like our insurance carrier to review the lease agreements. Director Lipinski informed the Board that our insurance carrier has already reviewed the lease agreements and said we needed to be named as an additional insured. Vice Chairperson Duchane informed the two parties that there could be assessments that will need to be paid. Board Member Frontera – page 10 – Utilities – how is that being split between the two parties or are we going to pay the utilities. Director Lipinski replied that it states that tenants will pay utilities and they will have to work that out. Pastor Collins responded that it will be based on the square feet you use. Board Member Frontera – page 10 – Re-renting – does this mean that if either group doesn't want to renew their lease that they need to notify us 90 days prior to that. Vice Chairperson Duchane commented that he doesn't see a mutual notice of the parties regarding termination and should

be changed to include that 90-day renewal or termination. Board Member Frontera commented that it should specify the 90 days and thinks that is a good number and asked who is responsible for refuse removal. Vice Chairperson Duchane replied that the tenants will be responsible for refuse removal. Director Lipinski commented that we are looking at a 90-day clause for termination and something specifying refuse service is tenant's responsibility.

Chairperson Aiuto asked if the parties had any questions. A representative from Eastside Cowboy Athletic Association asked what the decision was on the refuse collection. Board Member Switalski replied that the tenants would have to contract with someone to pick up the refuse.

Board Member Frontera – page 4 – top of page – asked does this give them a 10-day grace period or do they pay the interest on the 10 days. Director Lipinski believes interest would not be paid until after the 10 days.

Pastor Collins asked does it cost the City of Eastpointe extra to pick up refuse if the City was using the dumpster. Vice Chairperson Duchane replied that in one form or another we would pay for it. Chairperson Aiuto commented that as a courtesy we should ask Rizzo what he would charge. Board Member Frontera commented that it would be okay with him if we paid for it and then tenants paid us back.

Chairperson Aiuto asked Director Lipinski to summarize the lease changes. Director Lipinski responded that we need to specify 90-day mutual notice for terminating the lease by either party and clarify that refuse is the tenants' responsibility.

Motion by Duchane, seconded by Frontera, to approve the Lease Agreements with the Breath of Life Christian Church and Eastside Cowboys Athletic Association for joint leasing of the Eastpointe Community Center subject to the revisions noted by the Board at tonight's meeting, authorize the Board Attorney to draft the changes and authorize the Executive Director to execute the Lease Agreements.

MOTION CARRIED

Chairperson Aiuto asked a representative of the Eastside Cowboy Athletic Association to tell the Board what their organization does. Shanita said they are a non-profit organization which has been in existence for 40 years; cheerleading, football (4 teams from 7-15 years old), mentoring programs, choir, tutoring, anything that has to do with trying to get the children to the next level; nothing but good and everyone is welcome to mentor kids or come by and check it out.

Board Member Switalski asked how they fund it. Shanita explained that by registrations, donations, a lot of fund raisers and the All Star Cheerleading will pay the rent.

Board Member Frontera suggested to the Board that if there are any programs that we can work with the Cowboys on, we should do it.

Presentation by David Gassen, Partners in Architecture and Scott Lockwood, A.E.W. on Recreation Center Building Addition Options:

Dave Gassen commented that at the last meeting we discussed the testing and results of the testing; provided the Board with a PowerPoint presentation regarding the two schemes that they have created; Consideration No.1 - don't do anything; Consideration No. 2 with an A,, B, C, - Option 2A - remediate the structural problems plus consider an addition of just over 8,000 square feet; Scheme 1 – includes a small gym, activity spaces, storage area and was around 8,000 square feet (\$2,500,000) with \$900,000 to remediate structural problems; Scheme 2 – added activity spaces, gaining square footage at good costs and repurpose old space; multi-purpose space instead of small gym; Scheme 1 drawing – shows the addition which is called the senior wing; second drawing shows the old space that can be repurposed with moving the senior activities to the new wing; Scheme 2 drawings – shows the larger area addition and becomes more focused for the seniors; will have a main entry; social gathering space; computer room;

social room; game room; and this would be an open glass area; have support spaces with a little kitchenette; incorporated a restroom within the area and storage where we can; included senior office; included a conference room; contemplated the connectivity between the small gym and the new space; Scheme 2 – second drawing – by putting additional spaces there, we are gaining space in the Recreation Center and can repurpose the areas; reviewed the drawing showing the parking lot and how it would be set up with the addition; reviewed the cost of both schemes; cost of Scheme 1 is \$2,950,000ish and cost of Scheme 2 is \$3,120,000ish

Vice Chairperson Duchane asked if he has it broken out as far as what is eligible under our CGAP grant. Mr. Gassen responded that he can do that and informed the Board that he tried to make a budget that is realistic to what you would accept a bid at and the estimated contingency is important and needs to be there.

Director Lipinski asked do these expenses include HVAC and roof. Mr. Gassen responded that when we did the first look at the building we gave you a list of the things that you needed to do; we can break down the expenses and we will tell you what you will need to do in five years, ten years, etc. but does include HVAC for new areas and roof in the new areas.

Board Member Switalski commented that he has three points – first, scoring off the building roof his calculation is 20% space addition and 5% cost and seems like a good way to go; second, we would have to pay for all of this in five years so we need to figure out if we can budget this in five years; and third, the rest of the building renovations – if we are thinking a five year pay off plan we should be looking at anything that is going to go bad in five years and maybe even look at ten years. Mr. Gassen commented that that is how we break down our priorities and thinks all the priority 1's are in this cost and priority 2's are 3 to 6 years and need to keep in mind the priority 3's which are 6 to 10 years.

Vice Chairperson Duchane commented that conceptually he did what they wanted to give the seniors the area they wanted and bang for the buck is logical; need to look at what we will need budgeted over the next five years; thinks it is doable but the challenge is the five year mortgage; asked Director Lipinski what we have in the capital budget. Mr. Lipinski replied that he thought it was \$270,000 for three years.

Vice Chairperson Duchane asked if the CGAP was they pay \$340,000 and we pay \$340,000. Director Lipinski replied that he didn't think so but will look into it. Vice Chairperson Duchane commented that we are looking at \$2,000,000 over five years.

Chairperson Aiuto brought up that the City of Roseville had an energy program through Chevron but doesn't know if that is going to fit into this. Mr. Gassen responded that he can integrate that type of program but offered caution regarding performance base contracting. Vice Chairperson Duchane also offered caution on this type of contract.

Vice Chairperson Duchane asked for an electronic version of the handout.

Hearing of the Public:

Bobbie Wilson (8230 Standard, Center Line) informed the Board that the last two weeks of August the building was shut down and caught up with maintenance in the building; painted both sets of restrooms; painted the fitness center and computer room; all the floors were waxed and carpets cleaned and thanked the six young men who performed that work.

Director Report:

Director Lipinski thanked Ms. Wilson for the maintenance items that were taken care of during the building shut down; question arose recently on Meals on Wheels program that operates out of the Recreation Center – he does not schedule their routes it is done by Macomb County, County asked if they could move another site here temporarily for about six weeks and after thirteen weeks we asked if they had found somewhere to move to, they said they were still looking; once our fall programs start their

equipment had no place to go; found Leisure Manor in St., Clair Shores but drivers liked it better if they came here to pick up the meals for delivery in Eastpointe; wants to make sure that everyone knows that we did not force them out of here we were just trying to help them out while they looked for a place. Vice Chairperson Duchane asked if the Meals on Wheels program is coming out of the Recreation Center for Roseville. Director Lipinski responded that he doesn't know what routes the drivers do. Ms. Wilson responded that seniors can also eat in this room. Director Lipinski said he can try to find out what routes come out of the Recreation Center. Vice Chairperson Duchane commented that it becomes problematic if they don't serve both the communities out of one site and need to make it a priority in service that both communities are served. Chairperson Aiuto asked if this stops the seniors from using the room during the week. Director Lipinski replied no. Director Lipinski announced that on August 17th Bargains Hunters Paradise event was held in the parking lot and Ms. Grant sold thirty-five spaces and it was like a big garage sale; received forty applications for the part-time clerical position to assist the senior director and will begin interviews shortly; fall registration newsletters were mailed out last month and registrations have been coming back in; family fun field trips to Cedar Point and Tiger's games are all sold out; attended Roseville School Board meeting to get the agreements approved by this Board approved by that Board; has had conversations with several parties of adding a splash park and that is something that is still in the works with a donation from someone for one hundred percent of the construction costs; added two more permanent handicap parking spaces and four temporary handicap parking spaces to the parking lot; Eastpointe Beautification Commission is having their annual plant exchange at Spindler Park this Saturday and have had discussions on domain name for internet site and has been delayed and meeting with another company tomorrow to see if they can do it.

Vice Chairperson Duchane asked about the City of Roseville fireworks and if RARE was reimbursed for our costs. Director Lipinski replied that he doesn't believe he has received the final invoice yet. Vice Chairperson Duchane asked are we going to participate with them again next year. Director Lipinski responded that if they pay the costs they will. Vice Chairperson Duchane asked is this something that RARE going forward could do. Director Lipinski responded that it was a lot of work; the committee did the fundraising and entertainment and he doesn't want to get into the business of fundraising for the fireworks. Chairperson Aiuto asked what Vice Chairperson Duchane was thinking. Vice Chairperson Duchane replied that he wondered is there any reason for us to be more positively involved and should set up a procedure for cost recovery. Chairperson Aiuto commented that the committee hopes they are a short-term committee and the City will start paying for it again.

Board Member Reports:

Board Member Frontera had no report.

Board Member Switalski had no report.

Board Member Marion commented that he likes the plan presented by Mr. Gassen.

Vice Chairperson Duchane had no report.

Chairperson Aiuto had no report.

Motion by Frontera, seconded by Marion, to adjourn the meeting at 7:59 p.m.

MOTION CARRIED