



Minutes

Holland Area Community Swimming Pool Authority Special Meeting Holland, Michigan, January 10, 2019

The Authority Board met in regular session on Thursday, January 10, at 4:00 p.m. in the Holland Community Aquatic Center conference room.

Board Members Present: Darrin Duisttermars, Sara Giesler, Jack Gisinger, Tim Hemingway, Ron Hemmeke, Wendy Willoughby, and Matthew Van Zetten

Board Members Absent: Ben Farkas (Ex-Officio)

Staff Present: Executive Director Jack Huisingh and General Manager Amanda Duimstra

Others Present: Randall Miller, HCAC Foundation Board

1. Call to Order

Chairperson Giesler called the meeting to order at 4:00 p.m.

2. Approval of Agenda

The agenda was approved by general consensus.

3. Public Comments

There were no persons wishing to address the Board.

4. Approval of Minutes

Minutes for the November 8 and December 10 meetings were approved by general consensus.

5. HACSPA Board of Directors – Appointment of leadership and committee appointments

Motion to table discussion until next meeting and maintain current assignments.

Moved by: Willoughby

Seconded by: Duisttermars

Vote: 6-0 (MVZ not in attendance)

6. HCAC Executive Director – HACSPA Next Gen Status Report

Executive Director Huisingh reviewed HCAC Board and Leadership Team "HACSPA Next Generation" preparation and consideration items and activities including:

- The original 1968 HCAC Instructional Pools and supporting equipment are now 50 years old and require major renovation.
- In 1998 60,000 sq. ft. addition of a 50 meter multi-purpose and competition pool, spectator area, therapy pool, family splash pools, fitness area and support rooms are now 20 years old and also require significant upgrades and renovation.
- "In May of 2019 our debt obligations will be finished. While these facilities are still doing their job, we cannot expect them to continue"
- "We've balanced our budget for the past 5 years and we are now in position to renovate and grow to improve our capabilities and offerings to our Community."

- “We will never take the support of our taxpayers for granted. In May of last year, voters approved the renewal of a five-year operating millage by more than 80%. The renewal kept of our operating budget in the black. Moving forward with a 20 year renovation and construction bond request in May to continue where our current bond ends is different, It’s all about our pool’s future.”
- Completed an GMB Engineering Analysis of our existing facilities
- Completed a HACSPA Strategic Plan
- Completed a public process to select an Aquatics Architecture Firm (HCMA/QE) for development of an appropriate HACSPA Master Plan and Conceptual Plan for renovation and potential expansion following (12) architectural and engineering firms’ proposals.
- Visited and evaluated many benchmark aquatics facilities in the USA and Canada.
- Completed a Next Gen renovation & expansion Concept Plan
 - Renovation, Simultaneous support of core competencies, improved Community accessibility for wellness and recreation, growth and partnership potential, long-term sustainability.
- Received International, National and Local Construction estimates to complete the Concept plan
- Received a positive and supporting Economic Impact Study for the current HCAC Aquatics and Facility programming. (see below)
- Received a third-party HCAC Business Plan Analysis (Kennari Consulting) advising renovation and expansion per the Concept plan would allow for necessary growth and achieves financial sustainability. (see below)
- Started our 501(c)3 HCAC Foundation to achieve donor and philanthropic support
- Discussed the proposed Concept Plan and consideration items have been completed and are in process with the following;
 - constituent officials and City planners
 - partner schools Superintendents and Athletic Directors
 - neighborhood individuals and organizations
 - Home swim/dive/masters (MLA) club membership
 - HACSPA membership
 - Interested Community members
 - USA Swimming/Diving and Olympic support organizational leadership
 - Michigan Swimming Leadership, Coaches, Parents and Athletes
 - Regional Health Care providers
 - Interested Individuals and potential philanthropists
 - HCAC Staff, MLA Parents

7. HACSPA Next Generation reports (MVZ attendance at 4:35 p.m.)

a. Economic Impact Study - Hope Frost Research Center – Kelly Pasatta

- This Economic Impact Study was conducted to understand the current estimated economic value to the Holland Community for the existing \$34M Holland Community Aquatic Center.
- A wide range of community voices were heard, with many (73%) having children who are currently or have participated in the school swim program and half (50%) residing within the Holland Public School District attendance boundary. Coaches and parents from competitive high school, college, and USA teams from 88 zip codes participated in the competitive survey.
- The Nationally recognized IMPLAN model was utilized to achieve results.
- \$6.4 million – Annual outside tourism spending by visitors to competitive and community events each year.
 - Competitive swim families visiting HCAC for an event spend apx. \$145.75 per day.
- \$4.8 million - Annual economic effect of HCAC operational expenses including School usage (lease vs ownership)
- Total \$10 million effect on the Holland community in fiscal year 2018 through direct, in-direct and induced effects.
- A facility capable of supporting additional growth in large competitive and community recreational events would increase this estimated economic impact.
- Mrs. Pasatta noted comments provided during the survey were very positive towards the perceived value of HCAC to the greater West Michigan Region.

b. Potential Debt Bond Millage Survey - EPIC MRA Survey – John Kavanaugh

- The HACSPA Board seeks to understand Holland Public School District voter opinion regarding a replacement debt millage to support renovation and expansion per the Concept Plan. This information would insure appropriate timing, use of resources, and the appropriate millage amount.
- Epic MRA conducted a third-party and neutral public survey within the Holland Public School District to determine the viability of renewing or continuing public support of the HACSPA Concept Plan
 - Actual proposed millage language for a 20 year Debt Bond was presented along with arguments for and against the debt bond. Participants were then asked to advise how they would vote.
 - Detailed information and results were presented to the Board.
 - Summary results:
 - “After hearing a more detailed description of the upgrades, renovations and construction that would be included if a millage for the \$26.25 million dollar bond proposal were approved, and knowing that, if approved, an **additional 1.25 mills would be assessed against property for 20 years, costing the owner of a home with a taxable value of \$100,000, \$125 per year, or, about \$10.50 per month**, if the election were held today, would you vote YES in favor of the proposal, of NO to oppose it?”

• 56%	Vote YES
• 11%	Leaning toward voting YES
• 67%	TOTAL VOTE YES
• 27%	TOTAL VOTE NO
• 24%	Vote NO
• 3%	Leaning toward voting No
• 6%	Undecided/Refused
- The HACSPA Board also seeks to understand Holland Public School District voter opinion regarding a replacement millage at the current HCAC Debt Bond rate of 1.0 mills understanding this amount would not achieve the Concept Plan intent.
- Summary results:
 - “If there is not enough public support for a 1.25 mill increase to finance a \$26.25 million bond, the Holland Area Community Swimming Pool Authority may place a scaled back proposal asking voters to approve **1 mill for 20 years to fund \$21 million** in repairs and upgrades at the Aquatic Center, but would not allow for expansion for more public accessibility. Knowing that a 1 mill increase would cost the owner of a home with the market value of \$200,000 and a **taxable value of \$100,000, \$100 per year or about \$8.35 per month**; if the election on the proposal were held today, would your vote YES in favor of such a scaled back proposal, or NO to oppose it?”

• 57%	Vote YES
• 8%	Leaning toward voting YES
• 65%	TOTAL VOTE YES
• 28%	TOTAL VOTE NO
• 25%	Vote NO
• 3%	Leaning toward voting No
• 7%	Undecided/Refused
- Mr. Kavanaugh also advised comments provided typical advised a strong feeling of good stewardship by the HACSPA Board and HCAC Leadership and a strong feeling of trust with this organization.

c. Business Plan Executive Summary Analysis - Kennari – Josh Spencer

- A third-party was requested to prepare a financial business plan understanding both current profit-loss operations and to understand the likely conservative-based results of the implemented Concept Plan including renovation, construction and expansion.
- Benchmark information was considered from local, USA and Canadian Aquatic and Recreational Centers.
- Information from HCMA and Counsilman-Hunsacker were also incorporated.
- The current operation has been successfully managed to slightly above breakeven for the past 5 years following several years of significant losses.
- As significant renovation is required; if the facility is renovated and not modified to support program expansion and development, the HACSPA Board should expect to require large, and annually increasing, philanthropic support to remain sustainable.
- A renovated and expanded facility per the Concept Plan provides significant growth options.
- A renovated and expanded facility to better support the specific “group/core competency” achieves sustainability and reduces reliance upon taxpayers through revenue growth and economic impact improvements.
- A renovated and expanded facility is financially preferable over a renovated existing facility without expansion per the Concept proposal.

d. HACSPA Next Gen Millage – Financial Projections prepared by PFM, Financial Advisor to the Authority

- Executive Director Huisinigh requested that Bond Council, Ian Koffler introduce Financial Projections prepared by PFM, Financial Advisor to the Authority

e. HACSPA Board Resolution Submitting Bond Proposal for the Next Gen Millage

- PFM Millage Bonding Resolution presented by Bond Council, Ian Koffler
 - HACSPA Board Next Gen Millage Resolution
 - Motion to amend the Bond Millage Resolution
 - Moved by: Willoughby
 - Seconded by: Hemingway
 - Vote: 7-0
- After review of the resolution Gisinger requested a recess to achieve paper copies of the resolution.
 - Motion to recess for 10 minutes from 5:30-5:40 p.m.
 - Moved by: Hemingway
 - Seconded by: Willoughby
 - Vote: 7-0
- The Board returned from recess with a motion to return to session.
 - Moved by: VanZetten
 - Seconded by: Hemingway
 - Vote: 7-0
- Motion to amend the original motion
 - Moved by: VanZetten
 - Seconded by: Willoughby
 - Vote: 7-0
- Motion to approve the resolution as amended, as follows:

**HOLLAND AREA COMMUNITY SWIMMING POOL AUTHORITY
COUNTY OF COUNTIES OF OTTAWA AND ALLEGAN
STATE OF MICHIGAN**

RESOLUTION SUBMITTING BOND PROPOSAL

Minutes of a regular meeting of the Board of Directors of the Holland Area Community Swimming Pool Authority, Counties of Ottawa and Allegan, State of Michigan, held at the HCAC Business Office, 550 Maple Avenue, Holland MI, 49423 on the 10th day of January, 2019, at 4:00 p.m., prevailing Eastern Time.

PRESENT: Directors Duistermars, Giesler, Gisinger, Hemmeke, Hemingway, Willoughby, and VanZetten

ABSENT: Director Farkas (ex-officio, non-voting)

The following preamble and resolution were offered by Director Hemingway and supported by Director Duistermars:

WHEREAS, the Holland Area Community Swimming Pool Authority (the "Authority") is authorized by the provisions of Act 425, Public Acts of Michigan, 1994, as amended, to initiate the proceedings for a bond proposal at a general or special election and approved by a majority vote of the total qualified and affected electors voting on the question within the limits of the Authority; and

WHEREAS, the City of Holland, Holland Charter Township, Park Township and Laketown Township, located in the Counties of Ottawa and Allegan, Michigan (the "Municipalities"), are included, or are partially included, within the geographic boundaries of the Authority; and

WHEREAS, the Board of Directors of the Authority (the "Board") has determined that it is necessary to carry out the purposes of the Authority, that the Authority acquire, construct, furnish and equip an expansion of the Authority's current facility, renovations to the Authority's current facility and related site improvements (the "Project"), as described in the Bond Proposal attached as Exhibit A to this Resolution (the "Bond Proposal"); and

WHEREAS, the Board has determined that it is necessary and desirable for the Authority to borrow the sum of not to exceed Twenty Six Million Three Hundred Fifty Thousand Dollars (\$26,350,000) pursuant to the Bond Proposal, and issue recreational facility bonds (the "Bonds") in one or more series, for the purpose of paying the cost of the Project identified in the Bond Proposal, including costs of issuance of the Bonds; and

WHEREAS, it is necessary to initiate the proceedings to submit the Bond Proposal to the qualified electors in the Municipalities at a regular election to be held on Tuesday, May 7, 2019, which date is one of the three "regular election dates" specified in the Michigan Election Law, Act 116, Public Acts of Michigan, 1954, as amended (the "Michigan Election Law"), to declare the Authority's intention to pay the costs of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HOLLAND AREA COMMUNITY SWIMMING POOL AUTHORITY THAT:

1. The ballot wording of the Proposal attached hereto as Exhibit A is hereby certified to the clerks of the City of Holland, Holland Charter Township, Park Township and Laketown Township (the "Municipal Clerks") for submission to the electors of the Municipalities at an election to be held on Tuesday, May 7, 2019 (the "Election Date").

2. The Secretary of the Authority is hereby authorized and directed to file this Resolution and/or complete any such forms, certificates or documents as may be required by the Municipal Clerks to evidence the foregoing certification and/or submission.

3. The Municipal Clerks are hereby directed to take the steps necessary to provide for the election specified in this Resolution, which election shall be conducted in the same manner as elections are required to be conducted in the Municipalities under the provisions of the Michigan Election Law.


4. The Municipal Clerks are hereby directed to (a) publish notice of last day of registration and notice of election for the Election Date; and (b) have prepared and printed ballots for submitting the Proposal at the Election Date, which ballots shall be in the form appearing in Exhibit A, or the proposition shall be stated as a proposal on the voting machines, which ballots may include other matters presented to the electorate on the same date, all in accordance with and as required by the Michigan Election Law.

5. All resolutions and parts of resolutions, insofar as they conflict with the provisions of this resolution, are hereby repealed.

AYES: 7

NAYS: 0

RESOLUTION DECLARED ADOPTED.


Secretary

I hereby certify that the attached is a true and complete copy of a resolution adopted by the Board of Directors of the Holland Area Community Swimming Pool Authority, Counties of Ottawa and Allegan, State of Michigan, at a special meeting held on the 10th day of January, 2019, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976 and that minutes of the meeting were kept and will be or have been made available as required by said Act.


Secretary

EXHIBIT A

HOLLAND AREA COMMUNITY SWIMMING POOL AUTHORITY BOND PROPOSAL

This proposal will allow the Holland Area Community Swimming Pool Authority to acquire, construct, furnish and equip an expansion of the Authority's current facility, renovations to the Authority's current facility and related site improvements.

Shall the Community Swimming Pool Authority formed by the municipalities of the City of Holland, Holland Charter Township, Park Township and Laketown Township, borrow the sum of not to exceed Twenty Six Million Three Hundred Fifty Thousand Dollars (\$26,350,000) and issue its general obligation unlimited tax bonds, in one or more series, for all or a portion of that amount for the purpose of paying all or part of the costs of acquiring, constructing, furnishing and equipping an expansion to the Authority's current facility, renovations to the Authority's current facility and related site improvements?

Yes [] No [].

The bonds will be payable in not to exceed twenty (20) years from date of issuance, the estimated millage to be levied in 2019 is 1.25 mill (\$1.25 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds is 1.13 mill (\$1.13 per \$1,000 of taxable value).

Moved by: Hemingway
Seconded by: Duisternars
Roll Call Vote:
Giesler: Yes
Willoughby: Yes
Duisternars: Yes
Gisinger: Yes
VanZetten: Yes
Hemmeke: Yes

The resolution was adopted with 7 yes votes, and 0 no votes.

8. Other Business and Issues

Board agreed and set upcoming meeting dates as follows:

Thursday, January 24 at 4:00 p.m. – Special Meeting
Thursday, February 21 at 4:00 p.m. – Special Meeting
Thursday, March 14 at 4:00 p.m. – Special Meeting
Thursday, April 18 at 4:00 p.m. – Regular Meeting

9. Adjournment

The Board was adjourned by Chairperson Giesler at 6:10 p.m.

Respectively Submitted,

Darrin Duistermars
Secretary