

**MINUTES OF A THE FINANCE COMMITTEE MEETING
OF THE PARK DISTRICT OF HIGHLAND PARK
HELD ON FEBRUARY 21, 2025, 8:02 AM.**

Commissioner Ruttenberg and Vice President Freeman participated by electronic means.

Present: Commissioner Labrador, Commissioner Grossberg, President Bernstein

Absent: None

Also, Present: Executive Director Romes; Deputy Director Carr, Director Peters, Director Smith, Director Gogola, Director Baird, Assistant Director Acevedo, Assistant Director Soto, Manager Baczek, Manager Sangern, Manager Saunders, Accountant Moraru, Coordinator Hejnowski

Guest Speaker: None

Additions to the Agenda

None.

Ordinance #2025-02 – An Ordinance Amending the Appropriation Ordinance for Fiscal Year 2024

Director Peters reported that as the year progressed, Recreation Fund Item types 680, Cost of Goods Sold, 650, Maintenance & Landscaping, and 720, Capital Outlay, began to run over budget. As of 12/31/24, Cost of Goods sold was over appropriation by 42% (\$30,121.30), Maintenance & Landscaping was over appropriation by 16% (\$75,408.21), and Capital Outlay was over appropriation by 7% (\$5,211.31). As all are over appropriation, they are exceeding the appropriation filed with Lake County. After consultation with both our attorney and auditors, staff have been advised that a formal budget amendment does not need to be filed with the County. However, a budget transfer, approved by ordinance, must take place. Recreation Item Type 610, Salaries & Wages, has over \$859,000 of unused appropriation budget. As no more payroll expense will occur in this line item for 2024, staff recommend transferring from this Recreation Fund Item Type to cover the overage in Recreation Item Types 680, Cost of Goods Sold, 650, Maintenance & Landscaping, and 720, Capital Outlay.

Furthermore, as the year progressed, General Fund Item Type 660, Utilities, ran over budget. As of 12/31/24, Utilities was over appropriation by 7% (\$12,885.17). As the Type is over appropriation, it is exceeding the appropriation filed with Lake County. After consultation with both our attorney and auditors, staff have been advised that a formal budget amendment does not need to be filed with the County. However, a budget transfer, approved by ordinance, must take place. General Fund Item Type 610, Salaries & Wages, has over \$540,000 of unused appropriation budget. As no more payroll expense will occur in this line item for 2024, staff recommend transferring from this General Fund Item Type to cover the overage in General Item Type 660, Utilities.

Additionally, as the year progressed, Special Recreation Fund Item Type 720, Capital Outlay, ran over budget. As of 12/31/24, Capital Outlay was over appropriation by 100% (\$18,459.28). As the Type is over appropriation, it is exceeding the appropriation filed with Lake County. After consultation with both our attorney and auditors, staff have been advised that a formal budget amendment does not need to be filed with the County. However, a budget transfer, approved by ordinance, must take place. Special Recreation

Fund Item Type 620, Contractual Services, has over \$51,000 of unused appropriation budget. As no more contractual services will occur in this line item for 2024, staff recommend transferring from this Special Recreation Fund Item Type to cover the overage in Special Recreation Fund Item Type 720, Capital Outlay.

Finally, as allowed by the auditors, Incode will not have a new budget created; the transfer will be in the Annual Consolidated Financial Report only.

The Park Board of Commissioners supports staff's recommendation and asked that the ordinance be placed on the consent agenda at the February 26, 2025 Regular Meeting.

Resolution 2025-02 A Resolution Authorizing the Park District Director to Enter into a Contract for the Purchase of Electricity from the Lowest Cost Electricity Provider for the Purposes of Power Accounts Through the Northern Illinois Municipal Electric Collaborative Bid Process or Satori Energy Bid Process

Director Peters reported that electricity at all Park District facilities and additional electric meters are currently brokered via Northern Illinois Municipal Electric Collaborative (NIMEC), except for Deer Creek Racquet Club (DCRC), the meter at the new Dome, and four small load meters. DCRC has a separate electric contract that is tied to the solar provider there. The last bidding process had no bids offered for the four smallest meters in the District and are billed by ComEd. Previously, the lessee of the Dome paid the bill for the electric meter at the site. NIMEC is the largest governmental collaborative in Northern Illinois which aggregates the energy needs of over 85 Illinois municipal organizations comprising over 210,000,000 kWh annually, thus allowing them to secure more competitive pricing. As all District electric contracts are expiring in May, they will all bid simultaneously on March 4, 2025, except for Deer Creek Racquet Club (DCRC). NIMEC will be bidding out all facilities, except DCRC, in one bid, with bids to be submitted by 11:00 a.m. Bids will be submitted from: MC2, Direct, AEP, Constellation, and Dynegy. Concurrently, Satori Energy will be bidding all District electric accounts to a multitude of other energy providers in order to ensure the best rate for the District.

Bidding electricity for the District takes place over a few hours. Therefore, approval to participate in the NIMEC consortium and the Satori Energy bid must take place prior to knowing the awarded supplier and associated rates. The amount of compensation that NIMEC or Satori receives is included in the electricity prices from the supplier (roughly 3% of the electric supply), so there will be no direct payment made to NIMEC nor Satori by the Park District. There's a price spike coming in ComEd territory starting in June, and we expect an increase in the supply cost to be around 15%. However, there is hope for delivery costs to decrease, so we are estimating about a 10% overall increase in electricity costs. For 2025, beginning May 1, this equates to a \$32,500 increase in electricity costs for the remainder of the year. For 2026, total electric costs should increase by \$54,000.

The Park Board of Commissioners supports staff's recommendation and asked that the resolution be placed on the consent agenda at the February 26, 2025 Regular Meeting.

Construction Project Updates

a. Recreation Center of Highland Park Construction Updates

Manger Kutscheid shared the landscaping blueprint for the parking lot at 1207 Park Avenue West. The most noticeable change will be the landscaping along Park Avenue West. The evergreens that lined the sidewalk and road along Park Avenue West will be replaced with a variety of plantings and floral. He shared the plat list and images of the recommended shade trees, shrubs, grasses, and floral (perennials).

Deputy Director Carr provided a recap of the flooding that occurred on December 02, 2024, and the emergency mitigation work that took place throughout December. The fitness floor was temporarily relocated to the gymnasium and available for use as of December 09, 2024. Emergency restoration occurred in January and was completed February 07. The Fitness Floor reopened February 08, 2025. He shared images of the flooding, mitigation work, and restoration work. Since the fitness floor was moved to the gymnasium, there were only 6 days of lost services submitted in the insurance claim. He shared a slide providing a financial breakdown of the claim submittal.

The facility is currently using a mechanical automation system vs. a building automation system. A mechanical automation system focuses solely on automating mechanical components within a machine or process, like actuators, conveyors, and sensors, while a building automation system controls and monitors multiple building systems like HVAC, lighting, security, and energy usage, providing a centralized control point for the entire building environment. A building automation system poses challenges, so staff are working with contractors to determine prevention strategies better suited for all facilities and will share recommendations with the Park Board.

Currently, staff are recommending installing shut off valves on all water fountains with smart technologies that identify abnormal events related to water flow and can shut off water flow at the source.

Director Smith reported Phase One of the renovations to the Recreation Center of Highland Park locker rooms were recently completed, including painting, new flooring and upgraded restrooms. Phase Two, remodeling of the shower areas, is budgeted in the 2025 Capital Plan. Proposed improvements include replacement of tile, upgrades to shower stalls, removal of a bank of lockers to add vanities, and consideration of a sauna.

Staff have received a proposal from Williams Architects to provide architectural and engineering services for this project. Scope of work includes:

- Schematic Design
- Design Development
- Construction Documents and Permitting
- Bidding/Negotiations
- Construction Administration and Project Closeout

The total budgeted amount in the 2025 Capital Plan for the Locker Room Shower Area Remodeling is \$250,000. Staff recommended that \$50,000 of these funds be utilized for design and that construction be budgeted in the 2026 Capital Plan.

The Park Board of Commissioners supports staff's recommendation and place the Locker Room Shower Area Remodeling Proposal from William's Architects on the consent agenda at the February 26, 2025 Regular Meeting.

b. New Facility and Site Improvements at West Ridge Park

Director Smith reported that staff are wrapping up permitting. The Park District will have to go back to the City of Highland Parks design and review committee since the building height has slightly increased. Staff do not anticipate this will negatively impact the start of construction.

Director Smith reported that it is standard for the Park District to enter into a contract with a third party to conduct and interpret tests throughout construction. This construction project will require a range of material testing to ensure quality of construction materials. The Park District received two proposals for construction material testing. While slightly higher, Testing Services Corporation's proposal is recommended as this firm conducted the initial geotechnical report for the site and has greater familiarity with the site. The total project budget is \$17,678,727 and includes \$584,160 in owner's costs, separate from the contract with W.B. Olson, which includes material testing.

The Park Board of Commissioners support's staff's recommendation to place the Testing Services Corporation's proposal for Construction Material Testing for the New Recreation Facility at West Ridge Park on the consent agenda at the February 26, 2025 Regular Meeting.

c. Club Pickle and Padel Facility Project

Director Smith reported that the project is still on track for an August opening. This project has taken 6months longer than anticipated, so staff would like to review the project budget at the next Finance Committee Meeting along with change orders.

February Bid Results

a. 2025 Park Avenue Dredging Project Bid

Director Smith reported that the Park District of Highland Park received four (4) sealed bids on Tuesday, February 4, 2025, for materials and labor to complete the 2025 Park Avenue Dredging Project. Work is scheduled to occur early May 2025. The low bidder was John Keno & Company at \$40,000, includes \$37,300 for mobilization/demobilization and \$2,700 to dredge, transport, and place materials not to exceed 1800 CY). There is \$42,500 in the capital budget. While the bid is within budget, environmental testing will put this project over budget by \$4,426.25.

The Park Board of Commissioners recommends placing the bid from John Keno & Company on the consent agenda at the February 26, 2025 Regular Meeting.

b. 2025 Larry Fink Tot Lot Renovation Bid

Director Smith reported that the Park District of Highland Park received nine (9) sealed bids on Tuesday, February 11, 2025, for materials and labor to complete the 2025 Larry Fink Park Tot Lot Renovation. Work is scheduled to occur from March through May 2025. The low bidder was Hacienda Landscaping, Inc. at \$249,565.50, includes the base bid (total install) and two alternates. Alternate one is to replace the asphalt path along the playground with concrete and to replace the wood chips with pour in place. There is \$335,500 in the capital budget. The project is slightly over budget; however, staff recommended the Park Board of Commissioners at the Regular Meeting on February 26, 2025 approve the base bid and both alternates.

The Park Board of Commissioners recommended placing the bid from Hacienda Landscaping, Inc. on the consent agenda at the February 26, 2025 Regular Meeting.

Other Business

None.

Open to the Public to Address the Board

None.

Adjournment

A motion was made by Commissioner Grossberg and seconded by Commissioner Ruttenberg and approved by a unanimous vote. The Finance Committee Meeting adjourned at 9:53 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Roxanne Hejnowski".

Roxanne Hejnowski, Assistant Secretary