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**MINUTES
ADMINISTRATION AND FINANCE COMMITTEE
July 23, 2019**

1. Roll Call:

A regular meeting of the Hoffman Estates Park District Administration & Finance Committee was held on July 23, 2019 at 7:10 p.m. at the Triphahn Center in Hoffman Estates, IL.

Present: Chairman McGinn, Commissioner Kilbridge, Comm Reps Kulkarni, Winner

Absent: Comm Reps Musial, Utas, Wilson

Also Present: Executive Director Talsma, Director of Finance and Administration Hopkins, Director of Recreation Kapusinski, Director of Parks, Planning and Maintenance Hugen, Director of Golf and Facilities Bechtold

Audience: Commissioners Chhatwani, K. Evans, Kinnane

2. Approval of Agenda:

Comm Rep Winner made a motion, seconded by Comm Rep Kulkarni to approve the agenda as presented. The motion carried by voice vote.

3. Approval of the Minutes:

Comm Rep Kilbridge made a motion, seconded by Comm Rep Winner to approve the minutes of the June 25, 2019 meeting as presented. The motion carried by voice vote.

4. Comments from the Audience:

None

5. Old Business:

None

6. New Business:

A. Rink 1 Ice Project Change Order/M19-075:

Director Hugen reviewed the item noting that the change order had been not to exceed \$175,000 and approved by both the B&G Committee and the Board via email. He noted that the change order was to change the structural concrete to avoid settlement issues. Commissioner K. Evans asked about mud jacking and it was noted that the engineer said it would give the same flooring, but not be structural. The exact change order amount was \$168,934. Commissioner K. Evans asked if that included a contingency and Director Hugen noted that it did not.

Commissioner Kinnane asked if there might be anything still down the road not yet identified that we would need a contingency for as they had \$10,000 left of the original contingency fund. Director Hugen noted the only other work would be to drop in a sump pump but staff would not know until the perimeter drainage was put in and that it could possibly be done internally. Director Hugen noted that he felt the rink would be good for the next 30 years.

Executive Director Talsma distributed a time line and asked for an update. Director Hugen noted that Minnesota Ice had worked until June 28th with the installation of new main lines from June 24 through the 28th. He explained that all concrete and gravel was removed and water was found. Stantec provided reports by July 2nd which was turned around by July 12. He noted the structural engineer was involved to determine the best way to solve the concrete issue (costing the district 10 days). The information provided was reviewed by the board and when the \$175,000 change order was approved, staff went back to Minnesota Ice. Minnesota Ice was presently working with subcontractors to remove and pour new concrete with concrete work scheduled to begin July 29th. This would add two weeks to the project schedule. The original plan was now delayed by 7 weeks and the district would be looking at an October 25th completion date with the ice ready by November 1, 2019.

Director Hugen noted that staff had been pushing and that Minnesota Ice and Stantec had said that “due to soil conditions and mud slab affected, they needed to look into every angle to make sure the district was building the proper rink”.

Commissioner Kinnane asked if Minnesota Ice had other projects on the book and if they would be dedicated to our project. Director Hugen noted that they were willing to pull staff from other projects to complete this one.

Commissioner Kilbridge asked for an explanation of who Minnesota Ice, Stantec and the subcontractors were. Director Huguen explained that Stantec was the consultant, Minnesota Ice had won the bid and was doing all the mechanical and that the two subcontractors were for concrete removal and installation and the dasher boards.

Comm Rep Winner asked if they would risk cutting corners by trying to expedite the project and Director Huguen noted that they were not cutting corners; that they were less worried about the September 6th deadline and more about the next 30 years.

Chairman McGinn asked about leaving \$175,000 available in case of future contingencies and Commissioner Kilbridge asked about the impact on hockey. Executive Director Talsma explained that it would affect rentals.

Commissioner Kinnane asked about the impact to the Wolves at this time and Director Talsma noted that they used ice when school is in session plus two weekend hours.

Comm Rep Kulkarni made a motion, seconded by Comm Rep Winner to recommend the board approve a change order in the amount not to exceed \$175,000 to Minnesota Ice to continue with the Ice Rink project. The motion carried by voice vote.

B. A&F Report and 2Q Goals/M19-071:

Director Hopkins reviewed the report noting that the financial advisor agreement with Barclays to refinance the district bonds by August 8th for a projected savings of \$750,000. She also noted that they had started the process of scanning member documents into Rectrac Households giving staff access to the documents and that they would go back to the beginning of the year.

Executive Director Talsma noted that the district had found out a day earlier that the Wolves would not renew their contract. He noted that there was very little communication between them. They requested to leave 30 days after the end of their season and it was unknown where they would be going.

Chairman McGinn noted that he appreciated the commentary on the funds and like that the scanning was going back to January. He asked if the district had received and FOIA requests and Director Hopkins noted that they FOIA requests were consistent with other requests.

Comm Rep Winner asked about attending a minimum of 12 community events and if that was an annual or monthly goal. Director Hopkins noted that it was the Adv & Sponsorship Manager's annual goal.

Comm Rep Winner made a motion, seconded by Commissioner Kilbridge to send the A&F Report and 2Q Goals M19-071 to the board as presented. The motion carried by voice vote.

C. Open and Paid Invoices:

Commissioner Kilbridge asked about the Amazon charges and if there was a way to cut back so there was not so much waste through the packaging. Director Hopkins noted that even if it was not Amazon, the packaging would most likely be the same.

Commissioner K. Evans noted that by buying local, they were supporting the tax payers. Executive Director Talsma noted that most online sales would begin charging tax by the end of the year.

Chairman McGinn asked about the CDW \$18,000 Microsoft upgrade and Executive Director Talsma noted that it was a license renewal. Chairman McGinn asked why Microsoft was not the seller and Executive Director Talsma noted that CDW was the authorized seller and that the district licenses each computer.

Commissioner Kilbridge asked if it was a yearly charge and Director Hopkins explained that IT Manager Agudelo had just made the deadline and the next upgrade would force the district into 365 subscription service which would be more expensive. He was looking to going eventually to the cloud.

Comm Rep Winner asked how many users the district had and Executive Director Talsma noted it was at least 80.

Comm Rep Kulkarni asked if CDW or a 3rd party would do the install and Executive Director Talsma noted that the IT department of 2 handled all upgrades but that if needed, they did have a third party, Sterling, that could be called upon.

Comm Rep Winner made a motion, seconded by Comm Rep Kilbridge to recommend the board approve the Open and Paid Invoice Register in the amount of \$703,912.79. The motion carried by voice vote.

D. Revenue and Expenditure Report:

Director Hopkins reviewed the issue noting that the investment income was higher than prior years. She noted that the General Fund was over budget due to a delay in the South Ridge Project and an increase in property taxes. She noted the Rec Fund C&M postage consistent with prior years but would be over budget and that Aquatics was down from prior years as June was so cool and wet. She went on to review the Ice noting that “Try figure Skating for free” had brought higher enrollment and youth hockey participation was up; EC was up \$67,000; Camp down from the prior year but the overall Rec Fund was projected to be ahead of budget. Delay on the ice could impact the year end.

Director Hopkins noted that The Club C&M was up \$14,000 by eliminating direct mail due to the limited return; that The Club was expected to be below budget by

\$175,000; Maintenance had FM & R \$21,000 over prior year due to repairs; BPC had F&B up and that revenue was \$73,000 due to larger events and expenses down without a Sous Chef. She noted that the Chef position salary was down \$27,000 due to a delay in opening from the spring weather and that BPC would be below budget by the end of the year. She noted that there could still be significant changes in the year end numbers and the projections were based upon history and patterns.

Commissioner K. Evans commended staff on the excellent summary.

Commissioner Kilbridge made a motion, seconded by Comm Rep Kulkarni to recommend the board approve the Revenue and Expenditure as presented. The motion carried by voice vote.

7. Committee Member Comments:

Chairman McGinn congratulated Comm Rep Kulkarni on his appointment.

Comm Rep Kulkarni thanked him for the appointment.

Comm Rep Winner also welcomed Comm Rep Kulkarni.

Commissioner Kilbridge noted that Director Hopkins reports and narratives made the financials so much easier. She also welcomed Comm Rep Kulkarni.

Chairman McGinn welcomed Commissioner Chhatwani to the Board.

8. Adjournment:

Comm Rep Winner made a motion, seconded by Commissioner Kilbridge to adjourn the meeting at 7:55 p.m. The motion carried by voice vote.

Respectfully submitted,

Craig Talsma
Secretary

Alisa Kapusinski
Director of Recreation