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**MINUTES
ADMINISTRATION & FINANCE COMMITTEE MEETING
September 28, 2021**

1. Roll Call:

A regular meeting of the Hoffman Estates Park District Administration & Finance Committee was held on September 28, 2021 at 7:10 p.m. at the Triphahn Center in Hoffman Estates, IL.

Present: Chairman Friedman; Commissioner Dressler; Comm Reps Kulkarni, Wilson and Winner

Absent: Community Reps Musial and Utas

Also Present: Executive Director Talsma, Director of Finance Hopkins, Director of Parks, Planning and Maintenance Hugen, Director of Golf and Facilities Bechtold, Director of Recreation Kapusinski, Director of Administrative Services Pete Cahill, Executive Assistant Flynn

Audience: President Kinnane; Commissioners Evans, Kaplan, Chhatwani and McGinn; Community Rep Evans; Carpenters Union Local 58 Representatives Matt Oclon and Craig Czajka

2. Approval of Agenda:

Commissioner Dressler made a motion, seconded by Comm Rep Wilson to approve the agenda as presented. The motion carried by voice vote.

3. Approval of the Minutes:

Comm Rep Wilson made a motion, seconded by Comm Rep Kulkarni to approve the minutes of the August 24, 2021 meeting as presented. The motion carried by voice vote.

4. Comments from the Audience:

None

5. Old Business:

None

6. New Business:

A. NWSRA 2022 Annual Assessment Resolution R21-003 / M21-085

Executive Director Talsma explained that this is an annual allocation of funds that go to NWSRA in exchange for their services throughout the year. He noted that he was not fully in support of the decision for this year, given that last year we allocated the full amount, but only 20% of services were provided due to COVID restrictions. Executive Director Talsma and other NWSRA board representatives are working to possibly get some credit back in future years.

The staff does recommend approving these funds so we can remain a member of NWSRA, as they do wonderful work. There was no increase for 2022.

Commissioner Dressler noted that the second statement in the resolution has a typo, where the word “joint” was missing the final letter.

Commissioner McGinn asked if other districts were concerned about the same issue. Executive Director Talsma responded that yes, there have been several meetings regarding the funds.

Comm Rep Kulkarni asked about the 2% floor along with the 2% ceiling, noting the decrease in population. Executive Director Talsma explained that there is actually a 2% ceiling and a 0% floor.

Comm Rep Wilson made a motion, followed by Comm Rep Winner to send to the full board the NWSRA 2022 Annual Assessment Memo M21-085, as well as the Resolution R21-003 in the amount of \$311,404.66. The motion carried by voice vote.

B. NWSRA Vogelei House Enhancement / M21-086

Executive Director Talsma explained that the district has an agreement with NWSRA to rent the Vogelei House. Director Huguen has worked closely with the organization, who will be using the space as an adult special needs facility, offering programming and adult day care services.

Director Huguen noted the following:

- The WT Group was hired to consult on this project, with their services including design and engineering, and to oversee the bid packages.
- API Architects, who are also mentioned in the memo, work for WT Group.
- The bid opened on September 16, 2021, and the lowest three bidders were Action One, Precision Quality Contractors, and Integrity Builders. The first two of these three were disqualified as they did not follow all instructions, which left Integrity Builders as the lowest qualified bidder.

- We sent this decision to our attorneys to be sure the bidding process was done correctly, and they confirmed it was, and that Integrity Builders had met all requirements.

Commissioner Evans asked if this was going to be for residents or for programming. Executive Director Talsma responded that it would have adult day-care services, but will not be a live-in facility.

Matt Oclon of the Chicago Regional Council of Carpenters, Local 58, commented that he saw that Integrity Builders was working on the Bridges project, and felt that they were not paying prevailing wage. He asked the board to consider the information and to vote against the approval of Integrity Builders for the Vogelei House project. Mr. Oclon also asked if the District knows if there are any restrictions on the grant money that NWSRA will use. Executive Director Talsma replied that he does not know the source of the grant money.

Comm Rep Wilson asked if this is something the A&F Committee would vote on, or is it a board decision. Executive Director Talsma said that the committee, if in agreement, would recommend to the board to approve this. He explained that the District does not have reason to believe that the builder is not paying a prevailing wage for the Bridges project, and the same builder is being recommended for the Vogelei House project.

Comm Rep Wilson made a motion, seconded by Comm Rep Kulkarni to recommend to the full board the approval of Integrity Builders to be awarded the Vogelei House project in the amount of \$700,822.35 with a 5% contingency of \$35,000 for a total of \$735,822.35. The motion carried by voice vote.

C. Natural Gas Contract / M21-087

Director Hopkins explained that the Natural Gas Contract normally renews on a 3-year cycle. With the current prices, the consultant is recommending we only enter into a one-year fixed contract, leaving half of the District's usage floating. We can look again at a 3-year contract in March or April of 2022 when rates may have normalized. For instance, yesterday, the rates went up by 10 percent. We are recommending to look at a range tomorrow between \$0.630 and \$0.730.

Executive Director Talsma asked how today's rates compare with where our last contract was. Director Hopkins replied that we were at \$0.339 with our current contract, and the lowest rate we could secure now is \$0.548. Our current rate was locked in three years ago.

Commissioner Dressler asked if there are any concerns that the rate in March could be higher. Director Hopkins said of course there is that risk, but locking in a portion of the contract now helps to mitigate that risk.

Commissioner Evans asked why we are recommending the range, since the price could be lower. Director Hopkins agreed, and we will set an acceptable rate not to exceed \$0.630 on the smaller contract and \$0.730 on the larger contract.

Comm Rep Winner made a motion, seconded by Comm Rep Wilson to recommend to the full board to enter into a fixed rate contract for a period of one year, with rates not exceeding \$0.630 on the smaller contract and \$0.730 on the larger contract. The motion carried by voice vote.

D. Bar and Grill Service Manager Full-Time Position / M21-088

Director Bechtold stated that the District analyzes on an ongoing basis what we need in terms of staffing. He noted the following:

We have reduced staff in recent years, and have used several part-time staff to fill in for various duties.

With the expansion of the TopTracer facility, we are looking to add a full-time position. This person will oversee the operations of the Bar and Grill, TopTracer, beverage carts, and the halfway house.

In turn, Jennifer Fuller will transition back to the sales and catering role. Sergio Cabral will maintain the kitchen. All three positions will report directly to Director Bechtold.

This position will be a Grade 4, ranging between \$52,000 and \$72,975. This will be built into next year's budget as well, but we would like to have this person hired before the opening of the new TopTracer facility.

Commissioner Evans asked whether or not we will see a "bubble" with the wedding events. Director Bechtold replied that he is seeing a lot of interest for 2023, but 2022 will likely remain slow.

Comm Rep Wilson made a motion, seconded by Comm Rep Kulkarni to recommend to the full board the approval of a full-time Bar and Grill Service Manager. The motion carried by voice vote.

E. Administrative Services Division Report / M21-089

Director Cahill highlighted the following:

- The PDRMA review is coming up, and there is a new version, which will be more interactive.

- We have been working with PandaDoc, a paperless document management company, and have signed an agreement with them, mostly for new hire paperwork, but eventually for other registration and waiver-related forms.

Comm Rep Wilson made a motion, seconded by Commissioner Dressler to forward to the full board the Administrative Services Division Report. The motion carried by voice vote.

F. Finance Report / M21-084

Director Hopkins highlighted the following:

- We worked hard in August to update WebTrac with a new interface which works in conjunction with the new online program guide. There is now consistency between the two in terms of the buttons and the banners. The new navigation bar is easier to use, and residents can target programs by their own availability and age ranges.

Commissioner McGinn asked about the Kids Club cancellations. Director Bechtold stated that this is mostly due to mask mandates. The Kids Club has been closed since COVID began. There are 17 households affected.

Comm Rep Wilson made a motion, seconded by Comm Rep Winner to forward the Finance Report to the full board. The motion carried by voice vote.

G. Open and Paid Invoice Register:

Director Hopkins asked if there were any questions regarding the Open and Paid Invoice Register. There were not any questions.

Comm Rep Winner made a motion, seconded by Comm Rep Kulkarni to recommend to forward the Open and Paid Invoice Register to the full board. The motion carried by voice vote. This was amended later in the meeting to include the dollar amount of \$803,732.69 in the recommendation, which received a motion by Commissioner Dressler and was seconded by Comm Rep Kulkarni. This motion carried by voice vote.

H. Revenue & Expenditure Report and District Wide Operations Statement

Director Hopkins reviewed the Revenue & Expenditure Report and the District Wide Operations Statement, highlighting the following, stating the year is 2/3 over:

- Our revenue is right on target, just under 66 percent.
- Our expenses are also on target, in the same range.
- Our taxes are behind due to the extension on the second payment, but should turn around by next month.
- Our budget was prepared conservatively due to the unknowns with COVID.

- Our equipment rentals are on target.
- Our leagues are exceeding the budget and are consistent with normal years.
- Our memberships are on target.
- Seascape exceeded the budget, as well as prior years.
- Programs and Instructions, especially the ice programs, are exceeding pre-COVID levels.
- Our service fees are exceeding budget expectations.
- The driving range has exceeded all prior years.
- Our expenses are all either on or below target, besides Cost of Goods Sold, which is in direct relation to sales.

Executive Director Talsma noted that our other revenues have us at 66%. We are missing 15% of the \$6 million in tax revenue, meaning our other revenues are doing very well. He added a kudos to the Recreation Department and the new Seascape manager for their great work this summer.

Comm Rep Wilson made a motion, seconded by Comm Rep Winner to recommend to forward the Revenue & Expenditure Report and District Wide Operations Statement to the full board. The motion carried by voice vote.

7. **Committee Member Comments:**

Comm Rep Winner thanked the staff and said they are doing great work.

Comm Rep Kulkarni thanked Director Hopkins and told her to keep up the good work.

8. **Adjournment:**

Comm Rep Kulkarni made a motion, seconded by Comm Rep Wilson to adjourn the meeting at 7:51 p.m. The motion carried by voice vote.

Respectfully submitted,

Craig Talsma
Secretary

Cindy Flynn
Executive Assistant