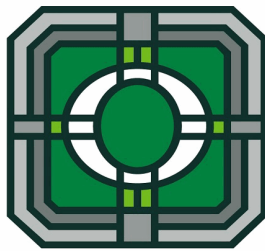


VILLAGE OF ORLAND PARK

14700 S. Ravinia Avenue
Orland Park, IL 60462
www.orlandpark.org



Meeting Minutes

Monday, November 4, 2024

6:00 PM

Village Hall

Committee of the Whole

*Village President Keith Pekau
Village Clerk Brian L. Gaspardo
Trustees, William R. Healy, Cynthia Nelson Katsenes, Michael R. Milani,
Sean Kampas, Brian Riordan and Joni Radaszewski*

CALL TO ORDER/ROLL CALL

The meeting was called to order at 6:00 P.M.

Present: 7 - President Pekau; Trustee Healy; Trustee Nelson Katsenes; Trustee Milani; Trustee Kampas; Trustee Riordan and Trustee Radaszewski

APPROVAL OF MINUTES

2024-0779 Approval of the October 7, 2024 Committee of the Whole Minutes

I move to approve the Minutes of the Regular Meeting of the Committee of the Whole of October 7, 2024.

A motion was made by Trustee Nelson Katsenes, seconded by Trustee Radaszewski, that this matter be APPROVED. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, and Trustee Radaszewski

Nay: 0

ITEMS FOR SEPARATE ACTION

2024-0774 Rental Property Regulations

In March 2024, the Board of Trustees passed an ordinance approving a 9-month Temporary Moratorium on Rental Property Registrations (Ordinance No. 2401). The main reasons for the moratorium were to address a decrease in owner-occupied housing units, and concerns over large national investors converting single family homes into rentals.

Staff embarked on a study to evaluate the challenges associated with rental licenses in the Village. Additionally, the working group reviewed the ordinances of other municipalities that have passed rental density caps, and met with the planning staff at the City of Columbia Heights, MN, and City of Champlain, MN, to better understand the potential challenges with passing an ordinance restricting rental density.

Staff combed through multiple data sources (including data from the US Census, American Community Survey, VOP rental license registration records, Police Department's crime-free housing records, and Finance Department's garbage sticker records), in an effort to confirm the rate of growth of the housing units in the Village, and specifically the growth of renter occupied units in the Village.

The data analysis indicate that renter occupied units account for 14% of all the housing units in Orland Park. Additionally, the findings point to a 4% increase in the number of renter-occupied units between 2010 to 2020 in Orland Park, compared to a 2% increase nationwide, and 3% increase in the state. The data

also pointed out that the ownership of rental units by large national investors grew by 11 units over the past 7 years, and account for less than 2% of the rental housing stock.

Staff is recommending an ordinance to modify the rental registration ordinance. Learning from other municipalities, the proposed ordinance will cap the number of rental units to 10% of the housing units per Census block. Pre-approved or pre-established rental units are exempt from this cap, along with housing units owned by active-duty military personnel, and snowbirds.

Staff worked with Gewalt Hamilton Associates (GHA) to develop a public-facing GIS map, along with an internal GIS map. Both the public-facing map and internal map will show the number of rental units per census block, with the internal map additionally showing the specific locations of the rental units.

Director of Development Services Steve Marciani presented information regarding this matter. (refer to audio)

President Pekau had questions. (refer to audio)

Director Marciani responded to President Pekau and continued presenting. (refer to audio)

President Pekau had additional questions. (refer to audio)

Director Marciani and Attorney Anne Skrodzki of Klein Thorpe and Jenkins responded to President Pekau. (refer to audio)

The Village's GIS Consultant Wendy Leonard presented a video demonstrating the rental density app. (refer to audio)

Director Marciani continued presenting information. (refer to audio)

Trustee Katsenes had comments. (refer to audio)

Trustee Healy had questions. (refer to audio)

Attorney Skrodzki and Director Marciani responded to Trustee Healy. (refer to audio)

Trustee Riordan had comments and questions. (refer to audio)

Director Marciani and President Pekau responded to Trustee Riordan. (refer to audio)

Trustee Kampas had questions. (refer to audio)

Director Marciani and President Pekau responded to Trustee Kampas. (refer to audio)

President Pekau had comments. (refer to audio)

This item was for discussion only. NO ACTION was required.

2024-0818 Baseball Field Lighting at the John Humphrey Complex

In 2020, the Streets division inherited all lighting in the Village to include parking lot lights and ballfield lights at multiple sports complexes as part of the consolidation of natural resources and facilities into Public Works. The Street's division ascertained challenges of previous departments maintaining ballfield lighting. These challenges include renting equipment that can reach seventy (70) feet in height to make needed repairs, at a cost approximately \$2,500 per week; and the fields get soft after it rains, preventing the equipment from being able to drive onto the field. Additionally, Little League Baseball has created lighting standards for the baseball fields, which currently our fields do not meet. By upgrading the equipment to LED lighting, the fields will meet the standards, which can be found on the Little League website.

In 2022, the process of upgrading the Village's ballfield lighting began with Field #4 at Centennial Park, followed by Field #5 in 2023. Musco Sports Lighting LLC (Musco), a Sourcewell Co-op, was chosen as the preferred vendor for all the fields. Musco lighting is a proven system that offers long-term reliability above their competitors, with a twenty-five (25) year warranty, including parts and labor. All outages, last minute changes, or any other problems with the system are handled immediately by Musco. The challenges found by Street's division are mitigated and lighting brought up to Little League standards.

The John Humphrey Complex (JHC) ballfield lighting is planned for upgrades in 2025. Past projects consisted of replacing the existing outdated fixtures with new Musco LED fixtures. This project is a complete revamp of the JHC system which includes new poles with LED lights, new underground conduit with wiring, and lighting for the batting cage and surrounding bike paths and parking lot. Receiving proactive approval for this project will allow Musco to begin procuring material to begin construction over the winter months so that the project can be complete and ready for opening day in the spring. Musco's cost for upgrading the JHC is \$1,245,200.

For the new lighting system to be operational, the existing electrical panels at the JHC need to be upgraded to handle the new load requirements. Dav-Com Electric, who is an authorized affiliate of Lion National Corp. (LNC)/Co-Op OMNIA Partners vendor, will perform this part of the project for a cost of \$101,950. A 20% contingency of \$20,390 is requested to address change orders made necessary

by circumstances not reasonably foreseeable at the time the proposal was signed, for a total contract price not to exceed \$122,340.00.

An additional benefit of upgrading the JHC is an opportunity for a rebate from ComEd. The proposed LED lighting uses DLC fixtures, which are approved for the ComEd rebate. The Village is currently submitting the information to ComEd. In the anticipated approval for this rebate, all monies received will be submitted to the Finance Department for processing.

Trustee Kampas had questions and comments. (refer to audio)

Director of Public Works Joel Van Essen responded to Trustee Kampas. (refer to audio)

President Pekau had comments. (refer to audio)

I move to recommend to the Village Board to approve the waiver of the competitive bid process in lieu of solicitation of competitive proposals and authorizing the approval and execution of a vendor contract for the purchase and installation of LED Lighting at the John Humphrey Complex from Musco Sports Lighting LLC through Sourcewell Contract 041123-MSL based on quote dated October 18, 2024, for an amount not to exceed for \$1,245,200.00;

AND

To recommend to the Village Board to approve the waiver of the competitive bid process in lieu of solicitation of competitive proposals and authorizing the approval and execution of a vendor contract for electrical panel upgrades at the John Humphrey Complex by Dav-Com Electric through the OMNIA/NCPA Contract #02-139 (RQN #2024-1425) based on Proposal #24-167-13 dated October 28, 2024, in the amount of \$101,950.00 plus a \$20,390.00 contingency, for a total not-to-exceed contract price of \$122,340.00.

A motion was made by Trustee Riordan, seconded by Trustee Healy, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, and Trustee Radaszewski

Nay: 0

2024-0832 Employee Health Insurance Renewal FY2025

The Horton Group (Horton) conducted a competitive market analysis for health insurance and all benefit lines for the Village of Orland Park's (VOP) 2025 plan year.

The results showed the Health Insurance market remains volatile due to higher

hospital, provider, and pharmacy costs. In addition, patient risk has also escalated. There is greater use of specialty drugs which accounted for approximately 70% of the plan's overall pharmacy spend. In addition, GLP-1 drug use (Ozempic, Mounjaro) has also increased for weight loss associated with diabetes. These drugs cost on average \$1k per month and their use is ongoing. Yet to hit the VOP plan but concerning to underwriters for all plans are gene and cell therapy drugs, which have an average cost of \$3M. They are considered cures for some conditions which were once untreatable. There are 19 cellular and 13 gene therapy treatments in the market today with 200+ in late-phase development.

Despite the market negatives, the VOP plan ran closer to target this year than last. Data through September ran 98.4% of expected. There are 20 large claimants over \$50k, 5 over the \$100k specific reinsurance limit. Mid-size claimants fell slightly to 28 from 31 but dropped in spending by \$186,000.

The preliminary renewal was released with an overall spreadsheet increase of \$528,007 or 9.24%. After negotiations and market comparisons, the best and final renewal came in at +\$344,325 or 6.03%. As a comparison, Price Waterhouse Coopers (PWC) medical trend is projected to be 8% for 2025. Pharmacy trend is projected to be 10%.

In the process, Rx rebates were improved by 53% and included additional pass-through language unique for Horton clients if rebates turned out higher. There is no claw-back if rebates turn out lower. Also improved in negotiations was the stop-loss contract, Blue Cross has included a second layer of reinsurance for the gene and cell therapy treatments to mitigate the cost to the traditional reinsurance market. In addition, Horton negotiated an enhanced contract to include a No New Laser provision, with a renewal cap of 50% on stop loss premiums in year 2. This added protection is valuable to the plan. With risk and potential cost increasing so much, a laser (which is adding an additional specific for a large claimant), can be added for an extremely high-risk individual, causing pressure to the whole plan.

All existing carriers and plan designs remain the recommended programs of choice including:

- Medical and Rx
- Dental Administration
- Vision
- Life and AD&D/Voluntary Life and AD&D
- Short Term Disability Administration
- Flexible Spending Account (FSA)
- Employee Assistance Program (EAP)
- CHC Biometric Screenings (Wellness Initiatives)
- HealthJoy

The summary of results is as follows:

1. 2025 Medical Market Analysis & Recommendations

i. Approached three (3) alternative carrier markets, Aetna (Meritain) Cigna and UHC, all declined due to non-competitiveness. Twelve (12) stop loss markets were also approached, five (5) quoted to compare specific and aggregate stop loss quotes. Due to group size being under 500 employees, these could not be used other than for negotiations. Horton recommends remaining with Blue Cross based on favorable fixed cost, stop-loss contract improvements, long historical consistency, and least disruption.

ii. Based on group size and being 85% credible, higher stop-loss options were not recommended. Blue Cross and Horton underwriters recommend keeping stop loss at \$100k.

2. Ancillary Market Analysis & Recommendations

i. Approached six (6) alternative dental markets (two (2) quoted, three (3) declined). Only one (1) option was self-funded. The 2025 dental premium equivalent rates are recommended at a 9.40% increase over 2024. Horton recommends staying with BCBS to maintain the bundled discount (savings) off medical rates of \$23,058.

ii. Approached seven (7) alternative vision markets, four (4) declined. Horton recommends remaining with BCBS to maintain the bundled discount. There is no increase to BCBS vision premium rates for 2025.

iii. Approached six (6) alternative life markets (three (3) declined, and one (1) quoted). Horton recommends staying with BCBS to maintain the bundled discount. There is no increase to BCBS life premium rates for 2025.

iv. Approached five (5) alternative disability markets (four (4) declined). Horton recommends staying with BCBS to maintain bundled discounts. There is no increase to BCBS ASO rate for 2025.

Cindy O'Toole from the Horton Group presented information regarding this matter. (refer to audio)

Director Riordan had questions and comments. (refer to audio)

Ms. O'Toole responded to Trustee Riordan. (refer to audio)

I move to recommend to the Village Board to approve the employee medical annual premium in the amount \$6,057,427, an increase of \$344,325 or 6.03% from \$5,713,102 in 2024;

AND

Recommend approving the employee ancillary spend for Dental, Vision, Life and Disability Administration in the amount of \$517,104, a \$30,766 increase which is a 9.40% increase on Dental, 0% increase on Vision, Disability Admin and Core Life and AD&D, adjusting employee contribution equivalents to the increase in premium cost, effective January 1, 2025;

AND

Recommend authorizing the Village Manager to execute said agreements, subject to Village Attorney review.

A motion was made by Trustee Kampas, seconded by Trustee Milani, that this matter be APPROVED. The motion carried by the following vote:

Aye: 6 - Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, and Trustee Radaszewski

Nay: 0

Abstain: 1 - President Pekau

2024-0833 Property & Casualty Insurance and Workers Compensation Renewal

The Horton Group conducted a comprehensive marketing analysis for all Property & Casualty lines of insurance coverage on behalf of the Village and recently provided the final recommendations for the December and January renewals. The combined renewal premium for the 2025 term will result in a premium increase of approximately \$130,000, which is approximately \$45,000 less than the 2024 increase. The growth in costs is driven by a combination of the current, difficult insurance market, increase in Village exposures such as total insured property values, Village expenditures and value of owned auto fleet. Furthermore, municipalities which carry Cook County exposures continue to face a more restrictive insurance market than those based in other counties. The number of carriers willing/able to insure in Cook County continues to decrease.

Several years ago, the Village decided to move to public entity insurance pools in order to offer the Village broad based public entity specific coverage terms, pooling risk with other risk conscious public entities, cost effective pricing and specific claims administration services geared towards public entities.

The Horton Group recommends renewing coverage with the Illinois Counties Risk Management Trust (ICRMT) and the Illinois Public Risk Fund (IPRF) for 2025 policy term. If approved, the 2025 coverage year will represent the third renewal for both public entity risk pools.

Illinois Counties Risk Management Trust (ICRMT)

Since 1983, ICRMT has provided insurance and risk management services to Illinois public entities. ICRMT offers a full line of coverage options, including property and liability, and has grown to over 450 public entities. With a hard market comes increased premiums and policy forms providing less coverage, lower limits and stricter terms. As a result, many of Horton's larger public entity clients continue to renew with ICRMT.

With ICRMT, there is no additional Third-Party Adjuster (TPA) expense as it is included as part of the coverage (saving the Village approximately \$20,000 annually), and the coverage is far broader (i.e. excess is "over" each casualty line of coverage). Similarly, IPRF does not carry TPA fees which also minimizes village expenses.

Coverage renewal costs are detailed below for the period beginning December 1, 2024.

Property:	Expiring - \$280,019; Renewal - \$305,353
Public Entity Package:	Expiring - \$232,957; Renewal - \$265,533
Auto Liability & PD:	Expiring - \$77,512; Renewal - \$77,769
Excess Liability:	Expiring - \$452,174; Renewal - \$511,390
Cyber Liability:	Expiring - \$26,265; Renewal - \$25,861

Illinois Public Risk Fund (IPRF)

In 1985, IPRF was established to provide a cost-effective public entity alternative to escalating workers' compensation premiums. The pool uses CCMSI as its claim TPA. The IPRF program has the best combination of premium and deductible.

The following details the renewal costs by type for the period beginning January 1, 2025.

Crime:	Expiring - \$4,502; Renewal - \$5,161
Drone:	Expiring - \$16,532; Renewal - \$16,800
Workers' Compensation:	Expiring - \$198,540; Renewal - \$199,510

Pollution: Due to the ongoing construction of the Village fueling station, a quote for this coverage is pending. The Board will be asked to consider this coverage at an upcoming meeting.

Horton's annual service fee is \$35,000, which is unchanged from 2024.

Tony Evans from the Horton Group was presented to explain the renewal process, results, and to answer questions. (refer to audio)

I move to recommend to the Village Board to approve the liability insurance for Property in the amount \$305,353; Public Entity Package in the amount \$265,533; Auto Liability in the amount \$77,769; Excess Liability in the amount \$511,390; Cyber Liability in the amount \$25,861 and effective December 1, 2024;

AND

Recommend approving the Excess Workers Compensation in the amount \$199,510; Crime Policy in the amount \$5,161; Drone Policy in the amount \$16,800 and effective January 1, 2025;

AND

Recommend approving the Horton Group Annual Brokerage Fee in the amount \$35,000.

A motion was made by Trustee Milani, seconded by Trustee Kampas, that this matter be RECOMMENDED FOR APPROVAL to the Committee of the Whole. The motion carried by the following vote:

Aye: 6 - Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, and Trustee Radaszewski

Nay: 0

Abstain: 1 - President Pekau

ADJOURNMENT: 6:54 P.M.

A motion was made by Trustee Milani, seconded by Trustee Kampas, that this matter be ADJOURNED. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, and Trustee Radaszewski

Nay: 0

2024-0871 Audio Recording for the November 4, 2024, Committee of the Whole Meeting

NO ACTION

/AS

APPROVED:

Respectfully Submitted,

Brian L. Gaspardo, Village Clerk