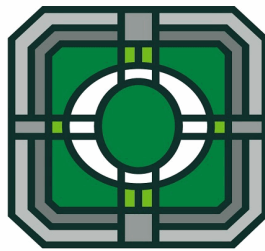


VILLAGE OF ORLAND PARK

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



Meeting Minutes

Monday, November 4, 2024

7:00 PM

Village Hall

Board of Trustees

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

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

VILLAGE CLERK'S OFFICE**2024-0810 Approval of the October 16, 2024, Special Meeting Minutes**

I move to approve the minutes of the Board of Trustees Special Meeting of October 16, 2024.

A motion was made by Trustee Nelson Katsenes, 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 Radaszewski, and Village President Pekau

Nay: 0

Abstain: 1 - Trustee Riordan

2024-0811 Approval of the October 21, 2024, Regular Meeting Minutes

I move to approve the minutes of the Board of Trustees Meeting of October 21, 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 - Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, Trustee Radaszewski, and Village President Pekau

Nay: 0

2024-0812 Approval of the October 28, 2024, Special Meeting Minutes

I move to approve the minutes of the Board of Trustees Special Meeting of October 28, 2024.

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

Aye: 5 - Trustee Milani, Trustee Kampas, Trustee Riordan, Trustee Radaszewski, and Village President Pekau

Nay: 0

Abstain: 2 - Trustee Healy, and Trustee Nelson Katsenes

NON-SCHEDULED CITIZENS AND VISITORS FOR AGENDA-SPECIFIC PUBLIC COMMENT

Alison Resnick Hanania and Kelly Cantillan addressed the Board regarding TIF.
(refer to audio)

ACCOUNTS PAYABLE

2024-0831 Accounts Payable October 22, 2024, through November 4, 2024 - Approval

The lists of Accounts Payable having been submitted to the Board of Trustees for approval and the lists having been determined by the Board of Trustees to be in order and having been approved by the various Department Heads,

I move to approve the Accounts Payable October 22, 2024, through November 4, 2024, in the amount of \$4,052,391.59.

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

Aye: 6 - Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, Trustee Radaszewski, and Village President Pekau

Nay: 0

Abstain: 1 - Trustee Healy

CONSENT AGENDA

Passed the Consent Agenda

A motion was made by Trustee Milani, seconded by Trustee Kampas, to PASS THE CONSENT AGENDA, including all the following items marked as having been adopted on the Consent Agenda. The motion carried by the following vote:

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

Nay: 0

2024-0803 Payroll for October 25, 2024 - Approval

The lists of Payroll having been submitted to the Board of Trustees for approval and the lists having been determined by the Board of Trustees to be in order and having been approved by the various Department Heads,

I move to approve the Bi-Weekly Payroll for October 25, 2024, in the amount of \$1,619,468.63.

2024-0808 Special Event Permit for Wild Fork Grand Opening Event (450 people)

At the December 6, 2021, Board meeting, the Village Board approved an ordinance amending the Special Events Permit authorizing the Village Manager to approve events under 100 persons and requires Village Board approval for larger events. Special events held on Village grounds are processed through Recreation and Parks, while events not held on Village grounds are processed through Development Services.

Wild Fork has submitted a Special Event permit for their Grand Opening Event on November 9, 2024. The event will take place in their parking lot from 11:00 a.m. to 4:00 p.m. There will be two chefs on-site cooking/smoking ribs and duck. There will be a photo booth where customers can take pictures and a swag bag where they can win free prizes, such as, barbecue sauce, spices and cookware. There will be one 10x10 tent and table set-up as well. An estimated 450 people are expected to attend.

I move to approve permitting Wild Fork to host an outdoor Grand Opening Event on November 9, 2024, contingent upon meeting all of the Village's permitting requirements, payment of fees, and inspections.

This matter was APPROVED on the Consent Agenda.

2024-0816 VOP Municipal Basin Phase I - Change Order #1

In 2023, Public Works contracted with Davey Resource Group, Inc. (contract #20230121) to manage and ultimately remove the invasive vegetation (phragmites reeds) from the Municipal Basin wetland west of the Public Works building. This initial clearing work would prepare the site for a more traditional stewardship contract in the future to manage the native vegetation. This original contract value was \$161,890.00 for two (2) years of service to the basin and included no contingency amount.

As this project has progressed, the invasive phragmites have grown more dominant in the southwestern region of the wetland. This area was originally left out of the proposed scope of work, however if left unmanaged it does threaten to undo previous work and allow the phragmites to spread into the wetland again. Davey Resource Group has submitted a proposal to include this additional area in this year's planned trimming and controlled burn. The total cost for this additional service is \$4,350.00.

I move to approve and authorize the execution of Change Order #1 and Addendum #1 to the Exhibit B dated March 31, 2023 with Davey Resource Group for additional removal of invasive vegetation at the VOP Municipal Basin to increase the amount of the Village's Municipal Basin Phase I contract of \$161,890.00 by \$4,350.00 per Exhibit B dated October 28, 2024, for a new not-to-exceed contract price of \$166,240.00;

AND

Authorize the Village Manager to execute all related contracts, subject to Village Attorney review.

This matter was APPROVED on the Consent Agenda.

2024-0819 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.

I move 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 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;

AND

Authorize the Village Manager to execute all related contracts, subject to Village Attorney review.

This matter was APPROVED on the Consent Agenda.

PUBLIC HEARINGS

2024-0752 Downtown Orland Park Special Service Area #12 - Public Hearing

A motion was made by Trustee Kampas and seconded by Trustee Katsenes to open the public hearing. (refer to audio)

On October 21, 2024 the Village Board approved an Ordinance for a public hearing for Special Service Area Number 12 for Downtown Orland Park. The hearing was published per state requirements and the attached document provides the guidelines to execute the hearing process.

A Special Service Area (SSA) must be established for Downtown Orland Park ("DOP SSA") as a condition of the Ordinance granting a Special Use Permit for a Planned Development and as part of the terms agreed upon in the recently approved Redevelopment Agreement between the Village of Orland Park and

Edwards Realty. The proposed SSA will be established to ensure long-term maintenance of Downtown Orland Park. The SSA, once established, will levy an additional property tax from properties within the proposed boundary to provide funding for the maintenance of the public improvements including roads, stormwater drainage, water features, public parking, seasonal decorations and Heroes Park. A map of the proposed SSA boundary is attached for reference.

President Peak had comments regarding this matter. (refer to audio)

I move to adjourn the public hearing on the Special Service Area Number 12 for Downtown Orland Park.

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

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

Nay: 0

DEVELOPMENT SERVICES

2024-0733 “Artisanal Food Production” Land Use Text Amendment - Ordinance

This proposed amendment addresses the increasing number of inquiries for small specialty food production businesses in Orland Park. Currently, the Land Development Code does not differentiate between scales of food production, treating small-scale or artisanal food manufacturers the same as large scale food manufacturing companies.

The existing definition of food processing plants refers to “commercial operations that manufacture, package, label, or store food for human consumption without direct sales to consumers.” There are currently no active Special Use Permits for food processing plants in the Village, and no recent inquiries have been made regarding such plants.

Food Processing Plants are only permitted in the MFG and ORI zoning districts (Figure 1) via a Special Use Permit, with a requirement that they be located at least 1,000 feet from a residential use or district. However, most MFG and ORI properties are within 1,000 feet of a residential zoning district, creating challenges for potential businesses to even seek a Special Use Permit.

By creating a new land use category known as “Artisanal Food Production” within the MFG and ORI zoning districts, small-batch, handcrafted food items will be permitted as their own land uses separate from Food Processing Plants. Artisanal Food Production excludes production involving the processing of meat or seafood. Artisanal Food Production is designed to be less impactful than a traditional Food Processing Plant, with the land use being restricted to operations

under 2,500 square feet in size unless a Special Use Permit is granted. The size limitation will help manage the scale of production for artisanal food businesses while minimizing negative impacts on the surrounding area, similar to how breweries and wineries are regulated in the Land Development Code.

PLAN COMMISSION DISCUSSION

Present at the Plan Commission were 6 commissioners and members of staff. No members of the public were present at the meeting. Following the staff presentation, the Plan Commission raised several discussion topics discussed below:

The Commissioners clarified that businesses would be limited to wholesale operations, not direct-to-consumer sales, to align with existing land use guidelines in the Comprehensive Plan. They confirmed that the designated locations, including specific industrial corridors, meet the intent of the proposed amendment.

Additionally, the Commissioners discussed how local businesses are already permitted to sell branded food products, like giardiniera and sauces, directly to consumers within their establishments, as examples to differentiate retail activity from wholesale food production, which the new amendment seeks to regulate.

PLAN COMMISSION RECOMMENDED ACTION

The Plan Commission recommends that the Village Board approve the Land Development Code Amendment creating Artisanal Food Production Land Use as presented in the Staff Report dated October 9, 2024.

I move to approve the Plan Commissions Recommended Action for Case Number 2024-0733;

AND

I move to adopt Ordinance 5949, entitled: AN ORDINANCE AMENDING THE LAND DEVELOPMENT CODE OF THE VILLAGE OF ORLAND PARK, AS AMENDED.

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

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

Nay: 0

2024-0564 Kiddie Academy Orland Park - 7414 W. 159th Street - New Construction

In 2016, the Board of Trustees approved an ordinance granting a Special Use Permit and Modifications from the Land Development Code to construct a commercial planned development located at 7420 159th Street and surrounding properties. Existing businesses within the planned development include Heartis Village Senior Living, Avis/Budget Rental Car, and a vacant drive-thru restaurant. The approved site plan included a conceptual layout for a daycare facility within the planned development.

This Development Petition seeks approval for the site plan, landscape plan, and building elevations for the daycare parcel. Daycares are a permitted land use within the BIZ General Business Zoning District, and no relief from the code has been requested with this application.

PLAN COMMISSION DISCUSSION

Present at the Plan Commission were 6 commissioners, the Kiddie Academy project team, and members of staff. No members of the public were present at the meeting. Following the petitioner's and staff's presentations, the Plan Commission raised several discussion topics discussed below:

Building Elevations

The Commissioners discussed the exterior design of the Kiddie Academy building. They supported staff's comments regarding more masonry and faux windows being implemented into the building elevations, which improved the overall building aesthetics. There was a discussion about the placement of certain doors and windows to clarify that the design choices were driven by the interior layout of the building.

Parking and Traffic Circulation

Majority of the project discussion centered around parking capability and traffic safety. Several commissioners raised concerns about the limited parking spaces, particularly regarding daycare staff, parents, and potential future land uses if the daycare transitions to a different business. The Commissioners asked about the AVIS property adjacent to the Kiddie Academy site who has been utilizing the entire Kiddie Academy parking lot. The petitioner responded that Avis has contractual rights to use the spaces on their lot only and a limited amount that are not on their lot. Avis is using the Kiddie Academy parking because the parking lot is currently not being used by anyone.

The Commissioners also raised concerns regarding the number of students and the drop off situation proposed. The petitioner responded that they have developed Kiddie Academy daycare locations all over the region. Kiddie Academy has flexible hours and different drop-off times so there is not a constant flow of traffic for all parents coming and going at one time like a school. The

petitioners responded that they want to make sure it is a safe environment for everyone by utilizing proper signage, in addition to providing advisory notices to adjacent properties within the Planned Development.

Overall, the Plan Commission supported the project and recommended approval with 6 ayes, 0 nays, and 1 absent. Additional discussion for this case is available in the October 15 Plan Commission Meeting Minutes.

PLAN COMMISSION RECOMMENDED ACTION/MOTION

The Plan Commission recommends that the Village Board of Trustees approve the preliminary site plan, landscape plan, and building elevations for Kiddie Academy Daycare, subject to the following conditions:

1. The petitioner shall develop the subject property in substantial conformance with the site plan prepared by Design Studio 24, last revised August 12, 2024, the landscape plan, prepared by Manhard Consulting, last revised September 25, 2024, and building elevations, prepared by Design Studio 24, last revised September 23, 2024.
2. All building and landscape code requirements must be met, including required permits from outside agencies.
3. All ground-based and roof-mounted mechanical equipment must be fully screened from view and shall meet the requirements listed in Section 6-308.J.

President Pekau had comments and questions. (refer to audio)

Director of Development Services Steve Marciani responded to President Pekau. (refer to audio)

I move to approve the Plan Commission recommended Action for Case Number 2024-0564, also known as Kiddie Academy Daycare;

AND

I move to adopt Ordinance 5950, entitled: ORDINANCE APPROVING SITE PLAN, LANDSCAPE PLAN, AND ELEVATIONS - (KIDDIE ACADEMY-7414 159th STREET).

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

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

Nay: 0

2024-0836 An Ordinance Amending the Orland Park Village Code with Regards to Hearing Officers

At the October 21, 2024, Board of Trustees meeting, Ordinance 5947 was passed approving text amendments to the Land Development Code which removed the role of Hearing Officers from the Land Development Code and transferred the duties and responsibilities to the Plan Commission.

The Plan Commission now oversees all variance requests under Section 5-109 and handles all appeals under Section 5-107, except when the appeal is a result to their own decision. In these cases, the Board of Trustees will take responsibility for hearing the appeals.

As a result of these text amendments, Title 2, Chapter 10 (Hearing Officer) of the Orland Park Village Code is no longer applicable and it is recommended that it be deleted in its entirety.

President Pekau has comments regarding this matter. (refer to audio)

I move to adopt Ordinance 5951, entitled: AN ORDINANCE AMENDING THE ORLAND PARK VILLAGE CODE WITH REGARDS TO HEARING OFFICERS.

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

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

Nay: 0

ENGINEERING**2024-0804 Speed Limit Change and Consistency on 151st Street from Orlan Brook Drive to Tee Brook Drive**

At the Parking & Traffic Advisory Committee (PTAC) on October 17th, 2024, the members of the committee and attending residents raised the issue of a discrepancy in speed limits on the north (westbound) and south (eastbound) side of 151st Street from Orlan Brook Drive to Tee Brook Drive. When heading eastbound on 151st, the speed limit on the south side of the street changes from 35 MPH east of Orlan Brook Drive to 40 MPH east of Tee Brook Drive. When traveling westbound on 151st Street, the speed limit on the north side of the street changes from 40 MPH just east of Tee Brook Drive to 35 MPH just west of Quail Hollow Drive.

Village Staff is requesting that the speed limit be consistent for the same distance on both north and south sides of 151st Street from Orlan Brook Drive to Tee Brook Drive at 35 MPH. This consistent speed limit will increase vehicle safety

and meet drivers' expectations for the residents of Orland Park as well as improve traffic flow on 151st Street.

President Pekau had comments. (refer to audio)

I move to approve changing the speed limit on 151st Street from Orland Brook Drive to Tee Brook Drive from 40 MPH to 35 MPH;

AND

Authorize the Village Manager to execute all related documents, subject to Village Attorney review.

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

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

Nay: 0

2024-0806 Hey and Associates, Inc. Contract Extension #1: Landscape Architecture and Wetland Consulting Services

On November 15, 2021, the Village Board approved the proposal from Hey and Associates, Inc. for Request for Proposals (RFP #21-055) via agenda item #2021-0822. The scope of work involves landscape architecture reviews and wetland consulting services for proposed developments.

Hey and Associates, Inc. is responsible for reviewing and inspecting landscaping and wetlands for relevant projects and provide Village staff with recommendations for acceptance or further action to be completed by the petitioner. The consultant inspects landscaping, detention basins, and stormwater best management practices (BMPs) as required by the Metropolitan Water Reclamation District of Greater Chicago (MWRD) post-construction. Hey and Associates, Inc. also provides input on applicable Village Land Development Code 6-305 for Landscape and Tree Preservation and MWRD's Watershed Management Ordinance (WMO) modifications and provides landscape architectural services to the Village on an as-needed basis. A wetland specialist is required to be retained by the Village to maintain authorized municipality status with MWRD.

Hey and Associates, Inc. has agreed that projects will generally be reviewed and inspected by the same staff to provide consistent project knowledge and follow-through on inspections.

Hey and Associates, Inc. was recommended by Village Staff and approved by the Village Board in 2017, and has been the Village's landscape consultant since the beginning of 2018.

Hey and Associates, Inc. contract is a three (3) year agreement with the option (at the Village's discretion) to extend the agreement for an additional two (2), one (1) year extensions. The current contract is set to expire at the end of 2024.

Hey and Associates, Inc. has provided excellent service over the last 3 years by reviewing development petitions on-time with comments, readily available for wetland reviews and inspections, and aiding Village Staff by answering other technical landscape architecture and wetland questions.

Engineering staff recommends amending the current contract with Hey and Associates, Inc. for landscape architecture and wetland consulting services to add an Addendum A for a one (1) year extension in 2025 in an amount not to exceed \$50,000. The contract terms and conditions and staff billing rates are the same as in the original 2021 contract.

Interim Assistant Village Manager Jim Culotta had comments regarding this matter. (refer to audio)

I move to approve and authorize the execution of Addendum A to the current contract with Hey and Associates, Inc. for landscape architecture and wetland consulting services to extend the contract for a one (1) year extension for 2025 for a not-to-exceed contract price of \$50,000;

AND

Authorize the Village Manager to execute all related documents subject to Village Attorney review.

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

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

Nay: 0

2024-0809 82nd Avenue Multi-Use Path, Phase II Design Engineering Services, Contract Award (RFQ 24-037)

The project includes designing and constructing a multi-use path on the west side of 82nd Avenue, between Arrowhead Lane and 145th Street. The project will also connect to the Orland Bikeway south of 138th Place, local side streets, and travel adjacent to Prairie Elementary School, just north of 143rd Street.

In July/August, 2024, the Village submitted a Project Development Report (PDR) to the Illinois Department of Transportation (IDOT) for Phase I (Preliminary Engineering). The Engineering Department is now ready for the Phase II

engineering services contract (Final Engineering). On February 23, 2024, the Village's Engineering staff issued a Request for Qualifications (RFQ 24-037) for Phase II Design Engineering services. Questions on the RFQ were due on March 4, 2024. On the submittal deadline of March 14, 2024, the Village received five (5) qualifications. Village staff scored the proposals per the criteria below and subsequently conducted interviews with the three (3) highest scoring engineering firms. The RFQ process was conducted using the Village's approved Quality Based Selection (QBS) process, which is a requirement to utilize the federal grant funding previously awarded to the Village. Village's QBS process is previously approved by the Village Board and IDOT.

The Village's scoring criteria for QBS proposals is:

Project Understanding - 30%
Similar Project Experience - 20%
Project Team - 15%
Project Development Approach - 15%
IDOT Prequalification - 10%
Overall Completeness of Submittal - 5%
Selection Committee Discretion - 5%

Qualifications were received from the following engineering firms:

1. Baxter & Woodman, Inc. (B&W)
2. Engineering Resource Associates, Inc. (ERA)
3. Gewalt Hamilton Associates, Inc. (GHA)
4. GSG Consultants, Inc.
5. The HOH Group, Inc.

All qualifications were complete and qualified for scoring. Qualification scoring out of 100 is:

Gewalt Hamilton Associates, Inc. (GHA) - 91.0
Baxter & Woodman, Inc. (B&W) - 88.6
Engineering Resource Associates, Inc. (ERA) - 86.0
GSG Consultants, Inc. - 84.0
The HOH Group, Inc. - 85.0

After qualification scoring and interviews were completed, Village staff began negotiations of the Phase II contract scope and fee, starting with the top scoring firm, Gewalt Hamilton Associates, Inc. (GHA). Staff is now recommending that the Village awards the Phase II Final Design Engineering contract to GHA. Highlights from the GHA qualification and interview include:

- ... Addressed the Village's concerns about scope and schedule.
- ... GHA team echoed the Village's sensitivity to project funding and completing

Phase II to meet funding schedule.

... The project team demonstrated experience delivering successful Phase II designs.

I move to approve awarding a contract for the RFQ 24-037 82nd Avenue Multi-Use Path, Phase II Design Engineering Services to Gewalt Hamilton Associates, Inc. for a total not-to-exceed amount of \$259,520;

AND

Authorize the Village Manager to execute all related contracts, subject to Village Attorney review.

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

Aye: 6 - Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, Trustee Radaszewski, and Village President Pekau

Nay: 0

Abstain: 1 - Trustee Healy

RECREATION AND PARKS

2024-0814 Centennial Park West Irrigation Additions

Centennial Park West includes irrigation of the main lawn seating area. This was installed as a part of the construction of the venue to support the growth of the sod.

In a cost saving measure, the north lawn area was hydro seeded. While the seed has taken and is developing, to fully support the growth of the turf in this area long-term for event seating, the addition of lawn sprinklers is necessary. As such, staff sought quotes to add irrigation to this area, as well as two additional areas of turf used during events that would benefit from consistent irrigation (see attached layout).

Attached, please find quotes from William Quinn & Sons (\$39,547.53), Central Lawn Sprinklers, Inc (\$72,557) and Carefree Systems (\$27,500). Carefree installed the existing irrigation during construction of the venue.

Staff seeks Board approval to waive the bid process to expedite the installation of sprinklers before the onset of winter conditions.

President Pekau had comments. (refer to audio)

I move to approve the waiver of the competitive bid process and authorizing the approval and execution of a vendor contract to Carefree Systems for the installation of sprinklers at Centennial Park West in the amount of \$27,500 plus a

contingency of \$2,750 for unforeseen conditions for a total not to exceed \$30,250;

AND

Authorize the Village Manager to execute all related contracts, subject to Village Attorney review.

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

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

Nay: 0

FINANCE

2024-0824 Accounts Receivable Debt Write Off for the Main Street Triangle TIF District - Ordinance

In 2004, the Village established the Main Street Triangle (MST) Tax Increment Financing (TIF) District (tinyurl.com/2f2fp5fn). Since 2004, only a few parcels were redeveloped. In the last few years, the Village has made progress in fulfilling the Downtown Orland Park vision that was established in 2004. At the October 7, 2024, Village Board Meeting, the Village Board approved the Redevelopment Plan and corresponding TIF Ordinances for the remaining 9.15 acres of Downtown Orland Park.

The TIF Ordinances that were approved included:

- 1) amend the existing Main Street Triangle (MST) TIF District boundary (which is set to expire in 2029) to include only a subset of the parcels currently in the MST TIF District, and;
- 2) designate a new 23-year TIF District on some of the parcels currently in the MST TIF District, to be known as the Downtown Orland Park (DOP) TIF District.

To get to this point, the Village Board took a number of steps including:

- At the May 2, 2022, Village Board meeting (tinyurl.com/2syaftpb), the Village Board approved the Conceptual Master Development Plan for Downtown Orland Park.
- The approved conceptual plan was the foundation for the specifications for a Request for Proposals that was issued seeking a master developer. Two proposals were received, and at the August 15, 2022, Village Board meeting (tinyurl.com/4u4p939z), the Village Board approved initiating negotiations on the Redevelopment Agreement (RDA) for the Downtown Orland Park project with Edwards Realty Company.
- At the November 6, 2023, Board of Trustees meeting (tinyurl.com/2j9zbmcd), the Village Board authorized the execution of a Term Sheet with Edwards Realty for

the Downtown Orland Park Redevelopment. From the November 6, 2023, Term Sheet approval, through the October 7, 2024, Redevelopment Plan approval, Village Staff worked with Edwards Realty to finalize the redevelopment agreement and to initiate the entitlement processes.

- At the October 7, 2024, Village Board Meeting, the Village Board approved the Redevelopment Plan and corresponding TIF Ordinances for the remaining 9.15 acres of Downtown Orland Park.

Debt Write-off

As part of the original MST TIF Development, the Village, from the General Fund and Home Rule Sales Tax Fun, lent the MST TIF District funds to pursue certain improvements within the MST TIF District. The net outstanding balance of the amount borrowed as of January 1, 2022, is \$29,551,157. This amount is listed as an amount owed to the General Fund and the Home Rule Sales tax fund on the Village's books. With the MST TIF District set to expire in 2029, between now and 2029 there is no reasonable method in which the MST TIF can repay the Village's General Fund and Home Rule Sales Tax Fund this outstanding balance. Instead of maintaining this uncollectable amount on the Village's books, and as part of standard GASSB requirements, the Village's auditor is recommending that the Village write-off this outstanding balance as part of the 2022 audit.

In accordance with the Village Code requirements adopted by the Village Board at the October 2, 2023, Village Board meeting, the attached ordinance writes off a total of \$29,551,157 in interfund liabilities related to the MST TIF. Since the MST TIF will generate some property tax increment for the remainder of the MST TIF (expiring in 2029), the attached Ordinance also approves the remaining MST TIF increment to be transferred to the Village's General Fund as Miscellaneous Revenue.

Director of Finance Chris Frankenfield presented information regarding this matter. (refer to audio)

President Pekau had comments.(refer to audio)

Anthony Cervini from Sikich had comments regarding this matter. (refer to audio)

President Pekau had additional comments. (refer to audio)

Trustee Healy had comments. (refer to audio)

President Pekau had comments and a question. (refer to audio)

Mr. Cervini responded to President Pekau. (refer to audio)

President Pekau continued with his comments. (refer to audio)

I move to adopt Ordinance 5952, entitled: AN ORDINANCE AUTHORIZING THE WRITE-OFF OF DEBTS RELATING TO THE MAIN STREET TRIANGLE TAX INCREMENT FINANCING DISTRICT.

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

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

Nay: 0

2024-0821 Acceptance of the Fiscal Year 2022 Annual Comprehensive Financial Report

The Village of Orland Park Fiscal Year 2022 Annual Comprehensive Financial Report (ACFR) has been completed. This report is management's annual financial report to the taxpayers, Village Board, oversight bodies, investors and creditors of the Village. This report provides a historical picture of the Village's financial status as of December 31, 2022, and activities for the year (January 1, 2022, to December 31, 2022). Our auditing firm, Sikich, has expressed that the Village's financial statements present fairly, in all material respects, the financial position of the Village for the fiscal year ended December 31, 2022 (a "clean" opinion, the highest obtainable).

State law (65 ILCS 5/8-8) requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

In addition, Public Act 98-0738 requires the auditor to perform the following within sixty days after the issuance of audited financial statements:

- Provide a copy of the management letter and audited financial statements to the Municipality's Corporate Authorities. If the county or municipality maintains a website, these reports shall be posted to the website.
- Present the information from the audit to the Municipality's Corporate Authorities either in person or by a live phone or web connection during a public meeting.

This memo will provide an overview of three documents prepared or reviewed by Sikich:

- Annual Comprehensive Financial Report,
- Report to the Village Board of Trustees, Results of the 2022 Financial Statement Audit, including Required Communications, and

- Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.

Upon acceptance, the Annual Comprehensive Financial Report and Management Letter will be published on the Village's website and distributed to as appropriate.

Annual Comprehensive Financial Report

The Annual Comprehensive Financial Report is a thorough, detailed presentation of the Village's financial position and activities for the year. The 2022 Annual Comprehensive Financial Report was audited by Sikich. The Village received a "clean" opinion, the highest obtainable.

The Annual Comprehensive Financial Report is a valuable tool that enables Village officials and investors to make financial decisions from sound and timely information. The report provides an independently audited accounting of the financial condition of the Village. The Annual Comprehensive Financial Report contains a set of financial statements comprising the financial report of the Village that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB). GASB provides standards for the content of an Annual Comprehensive Financial Report in its annually updated publication Codification of Governmental Accounting and Financial Reporting Standards. The Annual Comprehensive Financial Report is composed of three sections: Introductory, Financial and Statistical. It combines the financial information of fund accounting and Enterprise Authorities accounting.

Communication with those Charged with Governance and Management Letter
The Auditor's Report to the Village Board of Trustees requires the communication of the audit strategy and approach, including scope, auditor responsibilities, inherent limitations to reasonable assurance, extent of auditors communication, independence, Village responsibilities, distribution restriction and additional GAGAS (Accepted Governmental Audit Standards) reporting.

This report also discusses Qualitative Aspects and Significant Accounting Policies and Practices, including:

- Significant Accounting Policies (no matters are reportable),
- Unusual Policies or Methods (no matters are reportable),
- Alternative Accounting Treatments (relating to dissolution of Open Lands Corporation),
- Management Judgements & Accounting Estimates,
- Financial Statement Disclosures,
- Judgement About the Quality of the Village's Accounting Principles (no matters are reportable).

As discussed, the auditors noted a material weakness on Internal Control over

Financial Reporting.

In addition to the required communications, the auditor may communicate other matters to those charged with governance that are not required by US Auditing Standards if the auditor feels such matters are of importance to the local government. These communications may be combined into one report or delivered in separate reports.

Certificate of Achievement for Excellence in Financial Reporting Program (GFOA Annual Comprehensive Financial Report Program)

The Government Finance Officers Association (GFOA) is a professional association of approximately 17,500 state, provincial, and local government finance officers in the United States and Canada. The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (Annual Comprehensive Financial Report Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare Annual Comprehensive financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.

Reports submitted to the Annual Comprehensive Financial Report program are reviewed by selected members of the GFOA professional staff and the GFOA Special Review Committee (SRC), which is comprised of individuals with expertise in public-sector financial reporting and includes financial statement preparers, independent auditors, academics, and other finance professionals.

For over 30 consecutive years, the Village's financial report has been prepared to comply with the high standards of the GFOA Certificate of Conformance for Excellence in Financial Reporting Award Program criteria. We believe the 2022 Annual Comprehensive Financial Report continues to meet the requirements of the program.

Trustee Healy had comments. (refer to audio)

Anthony Cervini from Sikich presented information regarding this matter. (refer to audio)

Trustee Kampas had questions. (refer to audio)

Mr. Cervini responded to Trustee Kampas (refer to audio)

President Pekau had comments and questions. (refer to audio)

Director of Finance Chris Frankenfield and Mr. Cervini responded to President Pekau. (refer to audio)

President Pekau continued with comments. (refer to audio)

President Pekau had a question. (refer to audio)

Village Clerk Gaspardo, Trustee Healy and Mr. Cervini responded to President Pekau. (refer to audio)

Trustee Milani had comments. (refer to audio)

President Pekau had additional comments. (refer to audio)

I move to accept the Fiscal Year 2022 Annual Comprehensive Financial Report ending December 31, 2022.

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

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

Nay: 0

2024-0823 Resolution Determining The 2024 Tax Levy In Compliance With The Truth In Taxation Law

Executive Summary

· The property tax request for the police pension contribution will be higher than the tax levy approved one year ago. The Police pension tax levy will increase from \$4,995,396 extended in 2023 to \$5,179,613 in 2024 (an increase of \$184,217, or 3.69%). This higher levy is due to lower than expected investment returns in 2023. The date of the last actuarial valuation used to determine this contribution is 12/31/2023.

· The proposed levy for the Illinois Municipal Retirement Fund (IMRF) and the Village's share of Social Security and Medicare taxes (FICA) has decreased by \$39,610, or 1.84%. In accordance with State Statute, the municipal contribution rate for IMRF is actuarially determined each year by IMRF. Contributions are calculated as a percentage of covered payroll. A number of State statutes, as well as court decisions, mandate that local governments make their pension contributions. The recommended tax levy incorporates the Village's mandated pension contributions.

· The long term bond funding plan contemplates annual levy for debt service of approximately \$4.46M for governmental sources. This year's direct levy for bond payments will total \$2,631,728, with the remaining portion from General Fund dollars transferred to the Debt Service Fund to pay for Term Loan payments. The debt service portion of the levy will return to higher levels in future years and will be offset by lower levies for operations.

- Village staff proposed property tax levy represents a \$241,313 decrease for General Corporate Purposes, or 12.04%.
- The net result of the Village levy, considering all above changes (pension, IMRF, Social Security, debt, and corporate purposes), will remain flat from the 2023 levy.
- The overall EAV of the Village has increased by 30.62% due to the triennial reassessment in Cook County. This levy assumes a conservative 8% decrease in Cook County and a 2% increase in Will County
- The Orland Park Library has not yet approved their levy request, but will do so at their November 18, 2024 Board meeting. The Library levy for operations includes a maximum increase of 4.0% for placeholder purposes. With the 4.0% increase, the total levy for the Library would be an increase of \$271,720.
- Since the proposed tax levy is not more than 5% than the taxes extended for the prior tax levy, a "Black Box" is not required. We will, however, publish the truth in taxation notice for full transparency.
- The attached Tax Levy Determination Resolution, proposed to be approved at the November 4, 2024, Village Board meeting, will illustrate an overall flat rate from 2023. The Library levy includes a tax levy increase of 4.0% for operations with no levy for debt service. Once the tax levy is determined at the November 4, 2024 meeting, the Village Board can set the tax levy amount equal to or below the maximum amount, but it cannot set the levy above the maximum amount. The actual tax levy will be approved at the December 2, 2024, Village Board meeting.

Tax Levy Process

In order to collect a property tax, government agencies in the State of Illinois are required to establish a "tax levy". The tax levy is a projection of the monies the government agency obtains through the annual property tax. The Village Board adopts a property tax levy by ordinance, and files the ordinance with the Cook and Will County Clerks by the last Tuesday in December.

Funds identified in the tax levy and subsequent collections of property tax are utilized by the Village, along with other revenue sources, to fund the Village Budget. One of the more difficult aspects to understand regarding the property tax system in Illinois pertains to its timing. The Village's 2024 tax levy will be incorporated in the property tax bills property owners receive in 2025, and will be used by the Village to fund a portion of the 2025 Budget.

The tax levy ordinance adopted by the Village is filed with the Cook and Will County Clerks, whose offices determines the "tax rate" needed to raise the dollars

levied by the Village. As a home-rule community, the Village levies in dollars rather than by a specific tax rate, although Village staff can reasonably estimate the tax levy dollar amount needed to match a certain tax levy rate. The Village does not receive any additional dollars if the assessed valuation of property in the Village increases or decreases. Rather, the amount of the Village tax levy remains the same, and is spread over a greater or lesser total assessed valuation of property (which results in a decrease or increase in the actual Village tax rate).

For the 2024 tax levy, the total assessed valuation has increased as a result of property growth and the triennial reassessment to capture improving home values.

The actual property tax rate is determined by the Cook and Will County Clerks and appears on the property owner's property tax bill. The tax rate is applied to the property's assessed valuation, which determines the amount of money the taxpayer pays to the Village and other taxing agencies. Property owners will note that the Village is only one of many taxing bodies that appear on the annual property tax bill.

Impact to Homeowner

The final element in preparing the tax levy is estimating the impact of a property tax levy on a typical homeowner. The key piece of information for estimating this impact is determining what the equalized assessed valuation of all property in the Village will be for the pending tax year. The equalized assessed value, or EAV, is the result of applying the state equalization factor to the assessed value of all parcels of property in the Village. Tax bills are calculated by multiplying the EAV (after any deductions for homesteads) by the tax rate. The EAV is not certified until months after the tax levy ordinances are due in December. In addition, this year is a triennial reassessment year, which can impact the assessed value of an individual property and also the amount of property taxes paid, depending on each properties increase relative to total of the overall taxing district.

Recommended Tax Levy

Since the proposed Village levy is not more than 5% than the taxes extended for the prior tax levy, a "Black Box" is not required. However, the Village will publish the Black Box for full transparency and will hold a hearing on December 2, 2024. The attached Tax Levy Determination Resolution, which would be approved at the November 4, 2024 Village Board meeting, will illustrate an overall maximum property tax levy to remain flat over the previous year's extended levy. Once the tax levy is determined at the November 4, 2024, meeting, the Village Board can set the tax levy amount equal to or below the maximum amount, but it cannot set the levy above the maximum amount. The actual tax levy will be approved at the December 2, 2024, Village Board meeting.

The text of the proposed "Black Box" hearing notice is as follows:

NOTICE OF PROPOSED PROPERTY

TAX LEVY FOR THE
VILLAGE OF ORLAND PARK

I. A public hearing to approve a proposed property tax levy increase for the Village of Orland Park for 2024 will be held on Monday, December 2, 2024 at 7:00 p.m. at the Village Board Room located at the Frederick T. Owens Village Hall, 14700 S. Ravinia Avenue, Orland Park, Illinois 60462.

Any person desiring to appear at the public hearing and present testimony to the taxing district may contact Brian Gaspardo, Village Clerk, 14700 S. Ravinia Avenue, Orland Park, Illinois 60462, telephone number (708) 403-6150.

II. The corporate and special purpose property taxes (not including the Orland Park Library) extended or abated for 2023 were \$10,811,276. The Proposed corporate and special purpose property taxes to be levied for 2024 are \$10,793,790. This represents a 0.16% decrease over the previous year due to higher scheduled debt payments which is compensated by corporate taxes.

III. The property taxes extended for debt service and public building commission leases for 2023 were \$2,744,954. The estimated property taxes to be levied for debt service and public building commission leases for 2024 are \$2,763,314. This represents a 0.67% increase over the previous year.

IV. The total property taxes extended or abated for 2023 were \$20,877,358. The estimated total property taxes to be levied for 2024 are \$21,157,580. This represents an increase of 1.34% over the previous year due to an estimated 4% increase for the Orland Park Library.

PRESIDENT AND BOARD OF TRUSTEES
VILLAGE OF ORLAND PARK, ILLINOIS.
By: BRIAN GASPARD, Village Clerk

Director of Finance Chris Frankenfield had comments. (refer to audio)

President Pekau had comments. (refer to audio)

Trustee Kampas had comments. (refer to audio)

Director Frankenfield and President Pekau responded to Trustee Kampas's comments. (refer to audio)

Trustee Riordan had a question. (refer to audio)

President Pekau responded to Trustee Riordan. (refer to audio)

Trustee Milani had a question. (refer to audio)

Director Frankenfield responded to Trustee Milani. (refer to audio)

President Pekau had comments. (refer to audio)

President Pekau entertained a motion to amend Section 1 of the resolution to be reduced to \$13,3000 instead of \$13,425,518 and all subsequent numbers matching the original amount be changed. It was moved by Trustee Kampas and seconded by Trustee Milani. (refer to audio)

President Pekau had comments. (refer to audio)

All were in favor of the amendment to the motion. (refer to audio)

I move to amend Section 1 of the proposed resolution to read \$13,300,000 instead of \$13,425,818 and to change all subsequent numbers to be the same;

AND

I move to adopt Resolution 2418, entitled: A RESOLUTION DETERMINING THE 2024 TAX LEVY IN COMPLIANCE WITH THE TRUTH IN TAXATION LAW;

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

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

Nay: 0

2024-0822 Resolution Making the FY2025 Proposed Annual Budget Available for Public Inspection and Setting a Public Hearing Date

This resolution is the next step in the annual budget process. The Village Board previously held the budget workshop on October 16, 2024. This resolution will provide direction to make the proposed budget available for public inspection and will set the public hearing date.

The revised budget is available by visiting our ClearGov budget document page: <<https://village-orland-park-il-budget-book.cleargov.com/11804/introduction/table-of-contents>> . The transmittal letter includes a list of changes made since the proposed budget was distributed to elected officials on September 26th, 2024.

The attached Public Hearing Notice will be published on November 20th in the Daily Southtown newspaper. At the December 2, 2024, Board meeting, the Board will hold the hearing and will consider an ordinance to adopt the 2025 budget.

I move to adopt Resolution 2417, entitled: RESOLUTION MAKING THE FY2025 PROPOSED ANNUAL BUDGET AVAILABLE FOR PUBLIC INSPECTION AND SETTING A PUBLIC HEARING DATE.

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 - Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, Trustee Radaszewski, and Village President Pekau

Nay: 0

MAYOR

2024-0662 Amend Title 7 Chapter 18 - Increase Number of Video Gaming Licenses - Ordinance

Increase number of Video Game licenses from twenty-five (25) to twenty-six (26).

I move to adopt Ordinance 5953, entitled: ORDINANCE AMENDING TITLE 7 CHAPTER 18 OF THE ORLAND PARK MUNICIPAL CODE, REGARDING THE AVAILABLE NUMBER OF VIDEO GAMING LICENSES ISSUED BY THE VILLAGE OF ORLAND PARK, COOK AND WILL COUNTIES, ILLINOIS.

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

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

Nay: 0

VILLAGE MANAGER

2024-0820 Employee Health Insurance Renewal FY2025

Market Analysis

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.

Trustee Kampas had comments. (refer to audio)

I move 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

Approve 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

Authorize 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 - Village President Pekau

2024-0834 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 will be available to explain the renewal process, results, and to answer questions.

President Pekau had comments. (refer to audio)

I move 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

Approve 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

Approve the Horton Group Annual Brokerage Fee in the amount \$35,000;

AND

Authorize the Village Manager to execute all related contracts, subject to Village attorney review.

A motion was made by Trustee Kampas, seconded by Trustee Riordan, 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 - Village President Pekau

BOARD COMMENTS

Trustees Kampas, Milani, Katsenes, Radaszewski, Healy, Riordan and President Pekau had comments. (refer to audio)

ADJOURNMENT: 8:35 P.M.

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

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

Nay: 0

2024-0849 Audio Recording for November 4, 2024, Board of Trustees Meeting

NO ACTION

IAS

APPROVED

Respectfully Submitted,

Brian L. Gaspardo, Village Clerk