

VILLAGE OF ORLAND PARK

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



Meeting Minutes

Monday, November 20, 2023

7:00 PM

Village Hall

Board of Trustees

*Village President Keith Pekau
Village Clerk Patrick R. O'Sullivan
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 7:00 P.M.

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

VILLAGE CLERK'S OFFICE

2023-0888 Approval of the November 1, 2023, Special Meeting Minutes

The Minutes of the Special Meeting of November 1, 2023, were previously distributed to the members of the Board of Trustees. President Pekau asked if there were any corrections or additions to be made to said Minutes. There being no corrections or additions,

I move to approve the minutes of the Board of Trustees Special Meeting of November 1, 2023

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

2023-0889 Approval of the November 6, 2023, Special Meeting Minutes

The Minutes of the Special Meeting of November 6, 2023, were previously distributed to the members of the Board of Trustees. President Pekau asked if there were any corrections or additions to be made to said Minutes. There being no corrections or additions,

I move to approve the minutes of the Board of Trustees Special Meeting of November 6, 2023.

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

2023-0890 Approval of the November 6, 2023, Regular Meeting Minutes

The Minutes of the Regular Meeting of November 6, 2023, were previously distributed to the members of the Board of Trustees. President Pekau asked if there were any corrections or additions to be made to said Minutes. There being no corrections or additions,

I move to approve the minutes of the Board of Trustees Meeting of November 6, 2023.

A motion was made by Trustee Milani, 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

ACCOUNTS PAYABLE

2023-0911 Accounts Payable November 7, 2023 through November 20, 2023 - 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 November 7, 2023 through November 20, 2023, in the amount of \$1,943,054.19.

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

CONSENT AGENDA

Passed the Consent Agenda

A motion was made by Trustee Kampas, seconded by Trustee Milani, 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

2023-0910 Payroll for November 10, 2023 - 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 November 10, 2023 in the amount of

\$1,498,328.70.

2023-0880 Amend Title 7 Chapter 4 - Number of Class A Liquor License - Ordinance

Decrease the number of Class A liquor licenses from sixty-nine (69) to sixty-eight (68) due to the closing of Q Restaurant.

I move to adopt Ordinance 5845, entitled: AN ORDINANCE AMENDING TITLE 7, CHAPTER 4 OF THE ORLAND PARK MUNICIPAL CODE, REGARDING THE AVAILABLE NUMBER OF CLASS A LIQUOR LICENSES ISSUED BY THE VILLAGE OF ORLAND PARK, COOK AND WILL COUNTIES, ILLINOIS.

This matter was APPROVED on the Consent Agenda.

2023-0876 Traffic Signal Maintenance for Village/ State/County Roadways Renewal

As part of the Village's intergovernmental agreements with the State of Illinois (State) and Cook County (County), the Village is responsible for shared costs of traffic signal maintenance on state and county roadways. The Village's cost is determined by the jurisdictional percentage of the intersecting streets. For instance, on 151st Street at LaGrange Road, the Village pays for 50% of the cost of maintenance due to 151st Street east and west being owned by the Village. The County utilizes the same formula for maintenance costs on shared jurisdiction roadways.

Additionally, the Public Works Department contracts out the maintenance for thirteen (13) village-owned traffic control signal systems. The Village has traditionally utilized the same contractor to perform maintenance that is selected through the bid process by the State and the County.

Meade Electric of McCook, IL (Meade) has performed this work for the State, County and Village for many years, and they again have the contract for 2024.

Meade has submitted the attached service agreement extension for 2024, with a 4.1% rate increase, for a rate of \$192.92 per intersection each month for the Village.

Staff recommends renewing the contract for 2024. The service agreement provides the same timeframe and similar level of maintenance service that Meade provides under the State and County agreements. The cost of repairs due to damage or failure is above and beyond the scope of this proposal and is determined on a case by case basis.

I move to approve the 2024 expenditures to the State of Illinois for traffic signal maintenance on shared State roadways;

AND

To approve the 2024 expenditures to the Cook County Highway Department for traffic signal maintenance on shared County roadways;

AND

To waive the bid process for village traffic signal maintenance service;

AND

To accept the proposal from Meade Electric Company, Inc. of McCook, Illinois, for traffic signal maintenance for the thirteen (13) village owned traffic signals at a cost not to exceed the Board approved budgeted amount for 2024;

AND

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

This matter was APPROVED on the Consent Agenda.

2023-0872 2024 Maintenance of Streets and Highways by Municipality under the Illinois Highway Code - Resolution

The Illinois Department of Transportation (IDOT) requires the Village to pass a resolution each year for the utilization of Motor Fuel Tax (MFT) funds. The appropriations of funds are for the maintenance of Village streets and rights-of-way by Village staff and associated IDOT authorized expenditures for salt and electric within the upcoming year. IDOT requires the passage of the resolution for each fiscal year. The resolution is for the funds estimated for the 2024 calendar year in the amount of \$1,766,880.00. IDOT requires their form to be used for the resolution. Their resolution form (BLR 14220) and the Municipal Estimate of Maintenance Cost (BLR 14222) are attached.

The Municipal Maintenance Expenditure Statement for the 2023 calendar year showing the final amounts of the MFT fund expenditures will be submitted to IDOT early next year.

I move to pass Resolution 2320, entitled: RESOLUTION FOR MAINTENANCE OF STREETS AND HIGHWAYS BY MUNICIPALITY UNDER THE ILLINOIS HIGHWAY CODE.

This matter was APPROVED on the Consent Agenda.

2023-0826 Asphalt Roadway Crack Filling - Contract Extension

ITB 21-014 for Asphalt Roadway Crack Filling was awarded to Denler, Inc. of Joliet, Illinois, by the Board on March 15, 2021, for a three (3) year period from 2021 to 2023. The ITB also requested pricing for optional renewal years of 2024 and 2025.

Based on performance since 2021, staff would like to exercise the option to renew Denler's contract through 2025.

I move to approve extending the contract with Denler Inc. of Joliet, Illinois for Asphalt Roadway Crack Filling through 2025, for an amount not to exceed the Board approved funding for fiscal years 2024 and 2025;

AND

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

This matter was APPROVED on the Consent Agenda.

2023-0874 USIC Street Light Locates - Contract Amendment #1

On April 4, 2022, the Village Board approved awarding USIC as a sole source provider to locate all Village-owned street light cables. USIC was awarded a one (1) year contract with an option to extend an additional two (2) years.

Whenever digging or excavation takes place on a property, residents or contractors contact J.U.L.I.E. to have underground utilities located. Currently, when those requests come into the Village, USIC personnel locate all Village-owned street light cables while Utilities personnel continue to locate Village-owned underground utilities (i.e. water, sanitary sewer, and storm sewer). The Village averages eleven thousand (11,000) J.U.L.I.E. locates per year, but this year due to multiple Village infrastructure projects, locate requests have come in higher than anticipated. USIC was also due an annual 3% cost increase this past May per the executed contract. These increases have resulted in the need for additional funds.

Pricing for USIC's services are:

\$5.00 per One Call ticket

\$40.00 per Emergency ticket

\$15.00 per ¼ hour for Projects

\$275.00 for non-at-fault damage investigation

In FY22, the contract amount was \$55,000. In FY23, \$35,000 was budgeted for the contract.

As such, Public Works is requesting the approval of Contract Amendment #1 to approve additional funds in the amount of \$30,000.00 to cover the remaining cost of this contract year.

I move to approve Contract Amendment #1 for locating Village-owned street lights to USIC of Indianapolis, IN for a total amount not to exceed \$30,000.00;

AND

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

This matter was APPROVED on the Consent Agenda.

2023-0894 MJ O'Malley Corporation Class 6B Renewal - Resolution- 16200 South 107th Ave

This request is for the Board to consider a resolution in support of the renewal of the Class 6B status for property located at 16200 S. 107th Avenue in Orland Park. The subject property was granted a Class 6B in 2000. It was renewed once already in 2013. The Class 6B incentive, offered through Cook County, provides for a substantial reduction in assessed valuation resulting in significant tax savings. The incentive term is for a period of 10 years (16% of market value) and then begins to rise in years 11 & 12 (23% and 30% respectively). In the absence of this incentive, real estate would normally be assessed at 36% of its market value. The County no longer places a limit on the amount of renewals granted per property.

The subject property is owned and occupied by M. J. O'Malley Corporation and has been in existence since 1996. The business rents and services heavy construction equipment and provides excavation, construction and drainage services.

I move to pass Resolution 2321, entitled: A RESOLUTION DETERMINING THE NECESSITY OF AND BENEFIT FROM INDUSTRIAL USES AND SUPPORTING RENEWAL OF CLASS 6B STATUS PURSUANT TO THE COOK COUNTY REAL PROPERTY CLASSIFICATION ORDINANCE FOR CERTAIN REAL ESTATE LOCATED AT 16200 SOUTH 107TH AVENUE IN ORLAND PARK, ILLINOIS.

This matter was APPROVED on the Consent Agenda.

2023-0887 A Resolution Approving The Local Public Agency Agreement For State Of Illinois Participation To Be Entered Into By The Village Of Orland Park And The Illinois Department Of Transportation ("IDOT") And For The Appropriation Of Village Funds For The Purpose Of Paying For The Local Agency Share Related To The Design Of A Continuous Off-Street Multi-Use Asphalt Path Along The South Side Of 167th Street From Steeplechase Parkway To The Orland Grasslands Trail At 104th Avenue Under IDOT Project Number UNRO (581), State Job No. D-91-075-21, Section No. 19-00084-00-BT

The Village desire to participate in the Illinois Department of Transportation's ("IDOT") Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) Grant Program for the purpose of funding the design engineering of a continuous off-street multi-use asphalt path along the south side of 167th Street from Steeplechase Parkway to the Orland Grasslands Trail at 104th Avenue in

accordance with the terms set forth in the Local Public Agency Agreement for State of Illinois Participation (the "LPA Agreement"), a copy of which is attached hereto and made a part hereof Exhibit "A". The improvements to be designed under the LPA Agreement (Exhibit "A") consist of a continuous off-street multi-use asphalt path along the south side of 167th Street from Steeplechase Parkway to the Orland Grasslands Trail at 104th Avenue (the "Project"). IDOT has estimated the Total Project Costs to be \$249,989.00.

The State of Illinois, through IDOT, has agreed to participate and provide the funding for the actual design engineering costs associated with the Project through State of Illinois participation at a level of 80% of the actual design cost, but not to exceed an amount equal to \$199,992.00 in accordance with the terms set forth in the attached LPA Agreement (Exhibit "A"). The Village agrees to pay the local share of the Project, which equals 100% of all related Project design engineering costs in excess of the \$199,992 allocated by State of Illinois funding.

If approved, the President and Board of Trustees of the Village of Orland Park agree to appropriate and authorize the expenditure of an amount equal to \$49,997.00, to pay the Village's share of all related design engineering costs for the Project improvements under IDOT Project Number UNRO(581), State Job No. D-91-075-21, Section No. 19-00084-00-BT.

In addition, the President and Board of Trustees of the Village of Orland Park have the authority to approve and enter into the attached LPA Agreement (Exhibit "A") and to appropriate and authorize the expenditure of its Funds for the Project pursuant to its home rule powers and contracting authority provided by Article VII, Sections 6 and 10(a) of the Illinois Constitution of 1970, as well as the Illinois Intergovernmental Cooperation Act (5 ILCS 220/1 et seq.), and finds that entering into the LPA Agreement is in the best interests of the Village.

I move to pass Resolution 2322, entitled: A RESOLUTION APPROVING THE LOCAL PUBLIC AGENCY AGREEMENT FOR STATE OF ILLINOIS PARTICIPATION TO BE ENTERED INTO BY THE VILLAGE OF ORLAND PARK AND THE ILLINOIS DEPARTMENT OF TRANSPORTATION ("IDOT") AND FOR THE APPROPRIATION OF VILLAGE FUNDS FOR THE PURPOSE OF PAYING FOR THE LOCAL AGENCY SHARE RELATED TO THE DESIGN OF A CONTINUOUS OFF-STREET MULTI-USE ASPHALT PATH ALONG THE SOUTH SIDE OF 167TH STREET FROM STEEPLCHASE PARKWAY TO THE ORLAND GRASSLANDS TRAIL AT 104TH AVENUE UNDER IDOT PROJECT NUMBER UNRO (581), STATE JOB NO. D-91-075-21, SECTION NO. 19-00084-00-BT.

This matter was APPROVED on the Consent Agenda.

2023-0883 Lauterbach & Amen Staffing Agreement - Close Out Amendment

In 2020, the Village requested proposals for payroll preparation services, which was intended to be a support for UltiPro payroll software and selected Lauterbach & Amen LLP (L&A). In 2021, we modified this contract from hourly billing to a full time payroll coordinator resource. The contract was subsequently amended to its current state, where L&A is now providing four (4) staff resources: Accountant, Accounting Analyst, AP Coordinator, and Payroll Coordinator.

Earlier this year, the Village determined it was in our best interest and a cost savings to bring these positions back in house. This board action will close out the contract effective March 31, 2024.

L&A will continue providing day to day service through the end of December, 2023, and will complete 2023 payroll tax reporting during the first quarter of 2024.

The Village has hired or is hiring the replacement employees and will be ready to continue this service starting January 1, 2024.

It is possible that the L&A employees who are currently assigned to the Village of Orland Park will find other employment prior to the end of 2023. To address this possibility, L&A and Village staff thought that the best course of action is to change the contract terms for December from a monthly rate of \$41,200 to an hourly rate for a total amount not to exceed the current monthly rate. If one or more of the L&A employees leaves their employment prior to December 31, 2023, the Village would be billed only for the days of service provided, and L&A would not need to recruit to fill a position for a very short period of time.

I move to approve an amendment to the Village's agreement with Lauterbach & Amen LLP dated March 27, 2020, and amended September 10, 2021, March 7, 2022, and April 4, 2022, to provide Accounts Payable, Payroll and Accounting Assistance service for December 2023, and year-end payroll and tax reporting through March, 2024, as outlined in their proposal dated November 7, 2023;

AND

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

This matter was APPROVED on the Consent Agenda.

2023-0901 Decision on Appeal - D'Wan Hookah Lounge, Inc. D/B/A D'Wan Hookah Lounge

On November 6, 2023, the Board of Trustees heard an appeal of the Hearing Order, dated September 29, 2023, issued by Village Manager George Koczwara suspending the business and tobacco licenses issued to D'Wan Hookah Lounge, Inc. D/B/A D'Wan Hookah Lounge. The Board deliberated and came to a decision as set forth in the attached Decision on Appeal.

The Board now needs to approve and adopt the substance of the written Order.

I move to approve and adopt the Orland Park Board of Trustees Decision on the Appeal dated November 16, 2023, in the matter of D'Wan Hookah Lounge, Inc. D/B/A D'Wan Hookah Lounge.

This matter was APPROVED on the Consent Agenda.

PUBLIC WORKS**2023-0875 Laguna Woods Subdivision Road and Ditch Grading Improvements Construction Management - Change Order #1**

On February 6, 2023, Baxter & Woodman, Inc. of Mokena, Illinois was awarded the 2023 Laguna Woods Subdivision Road and Ditch Grading Improvements Construction Management contract to oversee and manage the contractor, M&J Underground. The Laguna Woods Road and Ditch Grading Improvements Project includes full depth pavement reconstruction with the addition of concrete shoulders to support the pavement edges as well as ditch reconstruction, culvert replacement, and storm sewer installation.

Unforeseen project delays have delayed the project completion date from August 31, 2023 to December 15, 2023. Utility conflicts with Nicor were identified, and the project needed to wait until Nicor completed a gas main relocation and connection of all services to the new gas main.

These efforts extended the number of hours needed by our construction management oversight. We defined the new completion date with M&J Underground, which then finalized the construction management oversight cost. Construction management oversight is expected to be completed in Spring 2024 with any remaining punch list identification.

Baxter & Woodman has provided a proposal for the additional hours needed to cover the remaining work that needs to be completed, which is not to exceed \$69,712.00.

President Pekau had questions. (refer to audio)

Public Works Director Joel Van Essen responded to President Pekau. (refer to

audio)

I move to approve the proposal for Change Order #1 with Baxter & Woodman, Inc. of Mokena, Illinois for the Laguna Woods Subdivision Road and Ditch Grading Improvements Construction Management in an amount not to exceed \$69,712.00;

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 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

2023-0873 STP Phase II Engineering - 143rd Street, 131st Street, and Orland Parkway

I move to approve accepting the proposals from V3 Companies of Woodridge, Illinois for the STP Phase II Engineering - 143rd St., 131st St, and Orland Parkway, for an amount not to exceed \$41,397.00 for 131st Street, \$60,736.00 for 143rd Street, and \$60,424.00 for Orland Parkway;

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

Nay: 0

2023-0884 Sale of Curbtender Pup Refuse Body

Orland Park Curbtender Refuse body is no longer useful to the Village as personal property. The piece of equipment no longer fits the division's needs.

The Board previously approved the sale of the Curbtender refuse body on August 7, 2023, to Dickson Equipment of Dallas, Texas. Dickson Equipment did not follow through with the purchase of the equipment from the Village.

Working with the Curbtender manufacturer to find another buyer, the Village was contacted by Ray Gaskin Service of Fontana, California to purchase the refuse body for \$40,000.00.

The Curbtender Pup 6 yard, semi-compaction refuse body is a specialty body with a limited market. It is staff's recommendation to accept the \$40,000.00 offer from Ray Gaskin Service for the purchase of the refuse body.

Trustee Healy had questions. (refer to audio)

President Pekau and Director of Public Works Joel Van Essen responded to Trustee Healy. (refer to audio)

I move to adopt an Ordinance entitled; ORDINANCE AUTHORIZING THE SALE OF PERSONAL PROPERTY (CURBTENDER PUP) OWNED BY THE VILLAGE OF ORLAND PARK, ILLINOIS, TO RAY GASKIN SERVICE OF FONTANA, CALIFORNIA.

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

ENGINEERING

2023-0870 Rodao Point Unit #2, Rodao Lane Status

In 2005, the Rodao Point Unit 2 subdivision was approved by the Board of Trustees (Legistar item 2005-0835). Village staff were informed that in 2013, the development was sold to another builder. Approval condition #1a states:

The Village shall have no responsibility for the maintenance or repair of the developed roadways and storm water detention facility, and a Special Service Area shall be formed by the Village in the event that the lot owners or association fail to maintain the roadway and detention facilities;

In a letter dated September 11, 2023, Village attorney Klein, Thorpe & Jenkins, Ltd. notified the original developer (applicant) of their failure to complete construction of Rodao Lane per the Board-approved Engineering Plans. Per Village Land Development Code Section 5-112.E, the Board of Trustees may declare the developer (applicant) in default, and the Village may pursue completion of the roadway using the processes described in this code section. This includes drawing letter of credit (LOC) funds for the Village to coordinate the completion of the roadway.

Village staff anticipate that remaining work to complete Rodao Lane will include, at minimum, pavement patching of binder course asphalt, installation of surface course asphalt, and restoration of impacted areas to complete this work. Due to upcoming seasonal closures of asphalt plants and end of the construction season, staff recommend action to complete the roadway construction in Spring of 2024.

Trustee Healy had questions. (refer to audio)

Village Attorney Dennis Walsh and President Pekau responded to Trustee Healy. (refer to audio)

I move to approve declaring the applicant in default, thereby allowing the withdrawal of letter of credit funds for Village staff to coordinate completion of Rodao Lane;

AND

Authorize the Village Manager to execute all related contracts, 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

VILLAGE MANAGER'S REPORT

2023-0871 Ordinance Approving Paid Leave Provisions for Village Employees

On March 13, 2023, Governor J.B. Pritzker signed into law Public Act 102-1143, titled the Paid Leave for All Workers Act, establishing "a minimum paid leave standard for all workers in Illinois. The Act takes effect on January 1, 2024, and applies to state and local government employers within Illinois, except school districts and park districts. The mandatory paid leave standard required by the Act constitutes an unfunded mandate on the Village pursuant to the State Mandates Act, 30 ILCS 805/1.

The Village of Orland Park is a home rule municipality, having all of the powers and authority granted to such municipalities pursuant to Article VII, Section 6 of the Illinois Constitution of 1970, including the right to exercise any power and perform any function pertaining to its government and affairs. The Act does not expressly preempt the exercise of home rule powers under Article VII, Section 6 of the Illinois Constitution of 1970, nor does it contain specific language limiting or denying the power or function of a home rule unit pursuant to Section 7 of the Statute on Statutes, 5 ILCS 70/7.

The General Assembly incorporated language into Section 15(p) of the Act, 820 ILCS 192/15(p), which expressly provides that “[t]he provisions of this Act shall not apply to any employer that is covered by a municipal or county ordinance that is in effect on the effective date of this Act that requires employers to give any form of paid leave to their employees, including paid sick leave or paid leave. Section 15(n) of the Act further provides that “[n]othing in this Act shall be deemed to affect the validity or change the terms of bona fide collective bargaining agreements in effect on January 1, 2024. After that date, requirements of this Act may be waived in a bona fide collective bargaining agreement, but only if the waiver is set forth explicitly in such agreement in clear and unambiguous terms.

The Village recognizes the importance of paid leave for workers and provides its employees with a comprehensive benefits package that includes paid leave benefits that are greater than those required under the Act, as detailed in the Village Employee Manual and its various collective bargaining agreements.

The Village finds that it is in the best interest to adopt and affirm by ordinance, prior to the effective date of the Act, the Village’s current Paid Leave Policies requiring paid leave for Village employees, to maintain the quality of the benefits package currently available to the Village’s employees and to expressly affirm that the provisions of the Act do not apply to the Village’s employees.

President Pekau had comments. (refer to audio)

I move to adopt Ordinance 5846, entitled: AN ORDINANCE APPROVING PAID LEAVE BENEFITS REQUIRED FOR VILLAGE EMPLOYEES.

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

2023-0852 Employee Health Insurance Renewal FY2024

The Horton Group (Horton) conducted a market analysis for health insurance and all benefit lines of coverage for the Village of Orland Park’s 2024 plan year.

Starting with a historical view and comparing PWC trend to how the Village of Orland Park health plan performed cumulatively from 2012 through August of 2023, the plan’s actual per capita cost outperformed the market at 13.82%, equivalent to a 1.18% per year. For the same time, the PricewaterhouseCoopers (PWC) trend study showed the market performed at 94.14% cumulatively or 6.22% per year. This favorable result was achieved through continuous plan management, including consumerism in plan designs, network adjustment (HMO

Blue Advantage vs. HMOI) Rx performance models, positive demographic changes (see Generational Study), and aggressive negotiations.

The VOP annualized plan year data through August 2023 showed health plan costs ran 9.3% higher than expected. Plan performance was inconsistent since the start of the pandemic in 2020 when claims activity was disrupted, preventing members from having elective and preventive care when desired. As a result, the 2020 plan year ran lower than expected at 94.6%. 2021 ran higher than expected because of what is called a rebound year with plan costs running at 112.5% of expected, and 2022 was more on target, running at 102.7% of expected.

Claims continue to be the main driver of the total cost of the plan. In fact, fixed costs, including reinsurance, administration, and Rx rebates remained near static over the past 5 years. averaging \$3,400 per capita and 17% of total cost, meaning claims drove 83% of the cost. A larger number of high-cost claimants are the main cause of the 2023 higher than expected health plan costs. Through August, the plan had seventeen (17) members with claims over \$50k YTD vs. twelve (12) last year. Six members have claims over \$100k (the Village's Reinsurance Stop Loss target) vs. three (3) last year. This has resulted in the Village being responsible for an additional \$507k YTD high-cost claims vs last year.

Mid-range claims/claimants from \$10k-\$50k have also increased for the non-HMO plans for YTD 2023 compared to YTD 2022. There are 37 claimants with paid claims of \$961k compared to YTD 2022 when there were 30 claimants with paid claims of \$717k. An increase in YTD 2023 of \$244k.

Based on underwriting practices, Horton provided a mid-year health insurance renewal forecast of +13% for 2024. The Blue Cross initial renewal came in at +14.32%. Based on plan size and demographics, it is considered 85% credible. The medical trend used was 6% and pharmacy trend 13%. The initial renewal did not include a one-time wellness credit as did the previous year. The renewal also included a higher 2024 expected claims projection due to 2023 YTD claims results.

Horton presented a strong argument to negotiate more favorable rates based on historical data, demographic shift, competition and bundling credits for ancillary lines, to receive a Best and Final expected performance offer of +9.22% overall. This consisted of fixed costs, which through negotiations included a one-time wellness credit of \$125,000, higher Rx rebates due to a new arrangement between Horton and Blue Cross, and lower specific and aggregate reinsurance premiums, bringing overall fixed costs down by 2.24% for 2024 compared to current 2023 fixed costs. Also included were 2024 HMO capitation costs which increased 1.5% compared to 2023 which is lower than trend. And finally, the claims factors included for 2024 health increased 12.67% compared to 2023 expected claims. The Claims factors are not actual charges but projections of

what the underwriter believes is an appropriate target, based on all plan performance factors including risk, demographics, financial trend and utilization trend.

2024 premium equivalent rates are recommended to increase 17.60% over the actual 2023 premium equivalent rates.

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)

The summary of results are as follows:

I. 2024 Medical Market Analysis & Recommendations

i. Approached two (2) alternative carrier markets. One (1) quoted, and one (1) declined. Nine (9) stop loss markets were also approached to assure competitiveness of specific and aggregate stop loss quotes. Horton recommends remaining with Blue Cross based on favorable fixed cost, long historical consistency, and least disruption.

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

iii. The alternate Blue Cross network, called Blue Choice Options was researched to see if lower price points could be achieved and what disruption would occur, if any. Lower costs could be achieved, and if considered just for the non-union employees, the bottom-line expected costs would be 7.9% compared to 9.22%. This change would lower overall costs increases to 17.06% vs 2023 Actual and 6.36% to 2023 recommended rates.

2. Cost Containment - General

i. HealthJoy - The Village of Orland Park active employee average age has dropped from 45 to 42 in the last 6 years, Retirees dropped from 61 to 59. In that time communication needs and desires changed to more immediate, convenient methods as the want for information has grown. HealthJoy is an app driven concierge service, warehousing all your employee benefit plans for members to quickly gain knowledge of best ways to use their plans. EAP services on the app can quickly integrate the members for additional care through JOY. JOY can also assist members in selecting the most cost-effective providers (tier 1 in the BCO

network) and include access to virtual and telephonic medical and mental/behavioral health appointments with the ability to prescribe medication without an office appointment. In addition, JOY can schedule new doctor appointments, confirm benefit information, and provide medical bill review.

ii. Population Health - The best way to control health costs is through their root cause. Horton expanded its wellness capabilities to assist our self-funded clients to include the foresight of two Registered Nurses, now on staff. This allows us to review claims data at a deeper level to identify gaps in care and other opportunities and assist members through education and plan Point to Point services. Actionable strategies could then be communicated further through the 24/7/365 HealthJoy app.

3. Ancillary Market Analysis & Recommendations

i. Approached five (5) alternative dental markets (two (2) quoted, three (3) declined). Only one (1) option was self-funded.

The 2024 dental premium equivalent rates are recommended at a 7.66% increase over 2023. Horton recommends remaining with BCBS to maintain bundled discount.

ii. Approached six (6) alternative vision markets (four (4) declined). Horton recommends remaining with BCBS to maintain bundled discount. There is no increase to BCBS vision premium rates for 2024.

iii. Approached four (4) alternative life markets (three (3) declined, and one (1) quoted). Horton recommends remaining with BCBS to maintain bundled discount. There is no increase to BCBS life premium rates for 2024.

iv. Approached four (4) alternative disability markets (four (4) declined). Horton recommends remaining with BCBS to maintain bundled discounts. There is no increase to BCBS ASO rate for 2024.

This agenda item was considered by the Village Board of Trustees on November 6, 2023.

I move to approve the employee medical annual premium in the amount \$5,855,766, a 17.60% (\$876,522) increase. The employee ancillary spend in the amount \$484,465, a \$23,589 increase which is a 7.44% increase in Dental, 0% increase in Vision, Disability Admin and Core Life and AD&D. The HealthJoy investment cost in 2024 for an amount \$39,070, for a total premium increase including HealthJoy in the amount \$939,181 and adjusting employee contribution equivalent to the increase in premium cost effective January 1, 2024;

AND

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

A motion was made by Trustee Riordan, seconded by Trustee Healy, 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

2023-0909 Property & Casualty Insurance Renewal

The Horton Group conducted a comprehensive marketing analysis for all Property & Casualty lines of insurance coverage on behalf of the Village of Orland Park and recently provided the final recommendations for the December and January renewals. The combined renewal premium for the 2024 term will result in a premium increase of \$175,900 over last year. The increase 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.

The decision to move to public entity insurance pools was made 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 2024 coverage year represents the second renewal for both public entity risk pools.

Illinois Counties Risk Management Trust (ICRMT)

Since 1983, the Illinois Counties Risk Management Trust (ICRMT) has provided insurance and risk management services to Illinois public entities. ICRMT offers a full line of coverage options, including property and liability designed to meet the needs of its public entity clients. Since its inception, ICRMT 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 and well-run public entity clients continue to renew with ICRMT.

Except for the Excess Liability, the renewal rates are essentially flat. The reason for the increase in excess liability related directly to program excess reinsurance rates. The ICRMT casualty deductible is \$50,000 less than standard market options. 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 more broad (i.e. excess is "over" each casualty line of coverage). Similarly, IPRF does not carry TA fees which also reduces village expenses.

Effective Date - 12/01/2023-2024

ICRMT Package: Expiring - \$882,401, Renewal - \$1,042,662

Cyber: Expiring - \$25,500, Renewal - \$26,265

Illinois Public Risk Fund (IPRF)

In 1985, the Illinois Public Risk Fund (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 per claim deductible is \$150,000 less for employees and \$250,000 less for police than provided by the Village's previous long term workers' compensation carrier.

Effective Date - 01/01/2024-2025

Crime: Expiring - \$12,690, Renewal - \$4,502

Drone: Expiring - \$15,380, Renewal - \$16,532

Workers' Compensation: Expiring - \$176,697, Renewal - \$198,540

Pollution: Expiring - \$2,348, Renewal - \$2,415

Due to these considerations, the Horton Group recommends renewing coverage with the Illinois Counties Risk Management Trust (ICRMT) and the Illinois Public Risk Fund (IPRF) for 2024 policy term.

I move to approve the liability insurance for Property in the amount \$280,019 a \$16,060 increase, Public Entity Package in the amount \$232,957 a \$17,445 increase, Auto Liability in the amount \$77,512 a \$7,225 increase, Excess Liability in the amount \$452,174 a \$119,531 increase, Cyber Liability in the amount \$26,265 a \$765 increase effective December 1, 2023;

AND

Approve the Excess Workers Compensation in the amount \$198,540 a \$21,843 increase, Crime Policy in the amount \$4,502 a \$8,188 decrease, Drone Policy in the amount \$16,532 a \$1,152 increase, Pollution Policy in the amount \$2,415 a \$67 increase effective January 1, 2024;

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 Radaszewski, 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 Board comments. (refer to audio)

EXECUTIVE SESSION

I move to recess to a Closed Executive Session for the purpose of discussion of a) pending litigation against, affecting or on behalf of the village or when found by the board that such action is probable or imminent.

A motion was made by Trustee Kampas, seconded by Trustee Nelson Katsenes, that this matter be RECESS. 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

RECONVENE BOARD MEETING

The roll was called to reconvene the Regular Meeting and Trustees Healy, Katsenes, Milani, Kampas, Riordan, Radaszewski and President Pekau were present.

Purpose of the Executive Session was for the discussion of a) pending litigation against, affecting or on behalf of the village or when found by the board that such action is probable or imminent.

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

ADJOURNMENT: 8:21 P.M.

A motion was made by Trustee Milani, seconded by Trustee Riordan, 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

2023-0927 Audio Recording for November 20, 2023, Board of Trustees Meeting

NO ACTION

/AS

APPROVED:

Respectfully Submitted,

Patrick R. O'Sullivan, Village Clerk