

**MINUTES OF A THE FINANCE COMMITTEE MEETING
OF THE PARK DISTRICT OF HIGHLAND PARK
HELD ON AUGUST 10, 2022 4:36 P.M.**

Present: Commissioner Bernstein, Vice President Freeman, President Grossberg

Commissioner Kaplan participated by electronic means; he joined the meeting at 4:41 p.m. Commissioner Kaplan joined the meeting in person at 5:45 p.m.

Commissioner Ruttenberg joined the meeting in person at 5:20 p.m.

Absent: None

Also, Present: Executive Director Romes; Director Peters, Director Gogola; Director Smith; Assistant Director Maliszewski; Manager Baczek; Manager Schwartz; Manager Sassorossi; Coordinator Hejnowski

Guest Speaker: Dan Krawczyk and Ron McHargue, Ice Builders

Additions to the Agenda

None.

Approval of the Finance Committee Meeting Minutes from June 22, 2022

The Minutes from the June 22, 2022 Finance Committee Meeting were approved.

Centennial Ice Rink Update

Director Smith reported that at the July 27 Regular Meeting it was determined that a short-term solution was not viable to repair the ice rink floor, so staff reached out to a variety of firms requesting an engineering and design proposal for a long-term solution and received five proposals: IMEG, Ser-Ice Refrigeration, Inc., B32 Engineering Group, Stantec, and Ice Builders. Staff are recommending the proposal from Ice Builders for \$1.4 million. Director Smith reported that Dan Krawczyk and Ron McHargue, Ice Builders, are here this evening by electronic means to answer questions.

Director Smith shared the proposed timeline, reporting that Ice Builders worked with staff to develop a realistic and aggressive timeline. Engineering would occur in August, demolition in September, construction would occur in October – January, and ice is estimated to be available by February 2023.

President Grossberg would like to know if the walls and structures surrounding the rink will be damaged during construction.

Director Smith reported that surrounding walls and structures will be covered and protected during construction.

As for the project, Director Smith reported that Ice Builders offers two flooring options, concrete or sand. Sand flooring reduces the schedule by one month, reduces the total project costs by \$112,000, and allows ice to stay in for a longer period, however, every 5years Ice Builders estimates the District will spend

Finance Committee Meeting Minutes
August 10, 2022

\$20,000 on long-term maintenance of the floor, yearly maintenance fees will increase, and the daily maintenance is different than what staff are custom too, which is concerning. Staff are recommending a concrete floor, which is what the District has always had.

Commissioner Bernstein would like to know if Ice Builders has a local office since their office is in New York.

Mr. McHargue, Ice Builders, reported that most of their clients/projects are in the Chicagoland area, and have been doing so for 40years. They have a national agreement with the United Association of Plumbers and Steam Fitters and a group of sub-contractors and crewmembers in Chicagoland. Project Supervisors will come from the New York office.

Commissioner Bernstein would like to know if sub-contractors and crewmembers are available.

Mr. McHargue, Ice Builders, reported that he spoke with all contractors excluding the insulator, all are currently available. Insulation begins at the end of the year/early 2023.

Commissioner Bernstein would like to know if materials are from the US.

Mr. McHargue, Ice Builders, reported that all materials for the project are US manufactured.

Commissioner Bernstein would like to know if the pumps are different from the compressor.

Mr. McHargue, Ice Builders, reported that the current compressor is adequate for a low-flow ice mat system. The District is changing to a conventional flow system which requires new pumps and a heat exchanger for an underfloor frost prevention system. The current condenser can remain.

Commissioner Bernstein would like to know if there is a market to sell the pumps and mechanicals that are no longer compatible with the conventional flow system.

Mr. McHargue, Ice Builders, reported that there is a market. Staff will work with Ice Builders to salvage and sell the pumps and mechanicals that are no longer compatible.

Commissioner Bernstein would like to know why frost mitigation is not included in the proposal.

Mr. McHargue, Ice Builders, reported that frost mitigation is not necessary based on the soil borings from WJE Engineers. Should anything change after demolition there will be an addendum to the agreement.

Commissioner Bernstein would like to know who is responsible for starting the refrigeration system and flooding the ice.

Mr. McHargue, Ice Builders, is responsible for flooding and painting the ice.

Assistant Director Maliszewski reported that Dual Temp, who is the contractor that maintains the District's refrigeration system will be on site with Ice Builders to start up the new refrigeration system and chiller. Park District staff are responsible for maintaining the system once started.

Finance Committee Meeting Minutes
August 10, 2022

Commissioner Bernstein would like the one-year warranty extended in case there are issues found after the ice is removed for yearly maintenance. Additionally, he would like to know what type of floors the Chicagoland ice arenas use.

Director Smith reported that he will have a follow-up conversation with Ice Builders regarding extending the warranty.

Mr. McHargue, Ice Builders, reported that he does not have any clients in the Chicagoland area with a sand floor. 90% of rinks use the concrete floor option. The sand floor option has been around since the 1970s, it's just not common in the Midwest.

Commissioner Bernstein would like to know some of Ice Builders Chicagoland's clients.

Director Smith reported that Ice Builders constructed the ice arenas in Skokie, Rolling Meadows, Glenview, Gurnee, and Evanston.

Commissioner Bernstein would like to know why Ice Builders was not selected in 2020.

Director Smith reported that the 2020 RFP was for a new ice mat, not an ice floor, so Ice Builders did not submit a bid.

Commissioner Bernstein would like to know what staff are expecting from the Park Board.

Executive Director Romes reported that staff will be requesting that the Park Board of Commissioners approve the \$1.4 million proposal from Ice Builders at Workshop Meeting beginning at 6:00 p.m. this evening.

Centennial Ice Arena Renovation Update

In 2021 the Board of Park Commissioners awarded two contracts for the design of the Centennial Ice Arena Building and Site Renovation project, an initiative recommended in GreenPrint 2024. Woodhouse Tinucci Architects (WTA) was contracted for the interior renovations of the lobby, locker rooms, restrooms, multi-purpose room, and office spaces. Gewalt Hamilton and Associates (GHA) was contracted for the new drop-off configuration, drainage improvements, parking lot resurfacing, and exterior lighting.

Manager Schwartz reported that staff would like direction from the Park Board on how to proceed with the 2022 Centennial Ice Arena Renovation and Site Improvement Project. The District received three bids, Kandu Construction, Simpson Construction, and Stuckey Construction. Simpson Construction was the lowest bidder, but they failed to bid on the specified items, so staff are recommending that the Park Board consider Stuckey Construction since they are the lowest most responsible bidder. Since the project is over budget staff presented three options; full scope estimated at \$4.2 million which includes all the proposed interior renovations (new entry and lobby) and the proposed exterior renovations (parking lot renovations and drainage improvements), Reduced Scope and Value Engineering Option A estimated at \$3.7 million which includes all the proposed interior renovations (new entry and lobby) and reduced exterior renovations removing the north parking lot repairs and only replacing lights at the turnaround and main lot, and lastly, Reduced Scope and Value Engineering Option B, estimated at \$3.5 which reduces the interior and exterior renovations, removing some of the entry enhancements, removing the parking lot repairs, only replacing lights at the turnaround and main lot, and partial drainage improvements.

Finance Committee Meeting Minutes
August 10, 2022

As for the project timeline, Stuckey Construction is estimating that the project would be completed end of February into early Spring. When bidding on this project, it was assumed that ice would be active.

Director Smith reported that this bid is valid for 90 days, expiring at the start of September. If it's decided to move forward, staff will request approval from the Park Board at the August 24 Regular Meeting. Staff will need to rebid if a decision is not made prior to August 24.

Commissioner Bernstein requested that staff follow up with Stuckey Construction to see how value engineering would change since the ice would no longer be active.

Commissioner Ruttenberg is opposed to removing the lights in the north parking lot. He is strongly opposed to the reduced scope options (A and B). He would like to know a ballpark estimate to build a new rink from scratch.

Executive Director Romes reported that a new building is ballparked at \$15 - \$20 million.

President Grossberg would like to know if the current facility is obsolete/outdated since there is only one sheet of ice.

Assistant Director Maliszewski reported that the quantity of ice sheets per facility varies. The amenities are outdated, and those items are being addressed in the renovation. User groups are in favor of adding a second sheet, however, what they feel is more important is the recommended improvements to the amenities.

Vice President Freeman and Commissioner Kaplan support Commissioner Ruttenberg's recommendation. They are opposed to the reduced scope options (A and B).

Commissioner Kaplan would like to know the difference in cost between Options A and B.

Manager Schwartz reported that Option B saves \$420,000.

Commissioner Bernstein would like to know if the north lot repairs could be a stand-alone project, which could be completed down the road.

Executive Director Romes reported that the north lot repairs could be a stand-alone project, being bid out in 2023.

Commissioner Bernstein reminded the Park Board that the cart path replacements at Sunset Valley Golf Club were pulled from the original project to reduce costs. He suggests using that logic for this project to help reduce costs.

Assistant Director Maliszewski reported that there is potential to generate revenue so that this project could be staged, allowing the north lot repairs to occur in the future.

Commissioner Ruttenberg is opposed to deferring lighting repairs for future years.

Funding Model Update

Director Peters reported that staff developed several funding scenarios to support the estimated \$1.5 million for the Centennial Ice Rink Replacement in the Ten-Year Funding Model. This includes:

Scenario 1: Increase the annual transfers from recreation and special recreation funds into the capital fund and reduce the fund balance in the recreation fund. The District general and recreation funds have a 25% reserve fund balance policy and the policy for special recreation is 15%. When looking at the reserve fund balance history, the 2022 general and recreation fund balances will align with pre-covid years. Currently, the general fund has a 59% reserve, and the recreation fund has a 51% reserve. Staff are recommending an additional \$1 million be transferred from the recreation fund and an additional \$50,000 from the special recreation fund. Furthermore, staff recommends transferring an additional \$50,000 from the special recreation fund over each of the next four years. The reserve for the recreation fund would decrease to 43% and the reserve for the special recreation fund would decrease to 58%, which still aligns with pre-covid years. 2027 is the only year where the District will have a deficit, however, the District could further reduce its reserve funds to avoid this.

Scenario 2: Adjust the 5-year capital plan; defer and eliminate some capital projects in each of the ten years, and/or consolidate some of the capital projects. Staff has not determined any projects that could be deferred or eliminated at this time. Instead, staff would like to consolidate the athletic field project.

Scenario 3: Combines Scenario 1 & 2. There are no concerning years in this scenario over the next ten years.

Scenario 4: Scenario 3, plus potential Cost Recovery and OSLAD Grant Award. There are no concerning years in this scenario over the next ten years, so long as the District is awarded cost recovery funds and OSLAD grant funds, neither of which are guaranteed.

Director Peters reported that the District is fully funded over the next ten years in Scenario 3.

Executive Director Romes reported that the tier 6 unfunded projects are not included in any of these funding scenarios.

President Grossberg is opposed to grant funds being baked into any of the formulas for the funding model. He is in favor of Scenario 1.

Vice President Freeman only supports Scenario 1.

Commissioner Bernstein reported that there are two things to consider at Centennial, the rink replacement and possibly approving the proposal from Ice Builders, and the GreenPrint portion of the project and which of the three options should be approved (full scope, Option A, or Option B) and/or possibly staging the project.

The consensus of the Finance Committee is to proceed with the proposal from Ice Builders, however, the Park Board would like the warranty extended. It is also the consensus of the Finance Committee to proceed with the full scope of the 2022 Centennial Ice Arena Renovation and Site Improvement Project Bid, however, place this under unfinished business at the August 24 Regular Board Meeting so that staff

Finance Committee Meeting Minutes
August 10, 2022

can provide a follow-up presentation, which would include a staged approach and possibly reduced costs since ice will not be active during the renovation.

Other business

None.

Open to the Public to Address the Board

None.

Adjournment

The meeting adjourned at 6:30 p.m.

Respectfully submitted,

Roxanne Hejnowski

Roxanne Hejnowski, Assistant Secretary