



**MINUTES FOR THE BUILDING AND FINANCE COMMITTEE MEETING OF THE BOARD OF EDUCATION
OF KENILWORTH SCHOOL DISTRICT NO. 38, COOK COUNTY, ILLINOIS
542 ABBOTSFORD ROAD, KENILWORTH, ILLINOIS 60043
REMOTE VIA ZOOM LINK
THE 7TH DAY OF JANUARY 2021**

Mr. Stephen N. Potter called the meeting to order at 9:01 a.m. The following Committee members answered as being present: Mr. Stephen N. Potter, Mr. John Gottschall, Mr. Bill Graham, and Mrs. Mia Casey-Sachs.

Also present were Ms. Kate Donegan, Superintendent, Dr. Joseph Bailey, Business Manager, and Mrs. Julie Campanaro, Board Secretary. Other Board of Education members present were Mr. Evan Lukasik, Board of Education President. DLA representatives, Mr. Steven Wright and Ms. Tracy Biederstadt, and Mr. Jack Hayes of Frederick Quinn Construction Management, were also present. Faculty and Staff present were Mrs. Deb Keegan and Mrs. Katie Nahrwold. Faculty member Ms. Elisabeth LeBris arrived later during the meeting.

Committee member Dr. Lisa Metzger-Mugg arrived at 9:05 a.m.

PUBLIC COMMENT

There was none.

Mr. Potter reviewed the meeting agenda for the day.

NEW BUSINESS

Phase I Construction/Geothermal Investigation Update

Mr. Potter reviewed the investigation of potentially installing a Geothermal Thermal energy solution for the school district. The Park District would be involved, as the installation will require portions of Townley Field. He reviewed some of the aspects of the potential installation. Notably, the constraint to installing the necessary bore wells due to the water main running under Melrose Avenue and Townley Field. Mr. Potter reviewed the feasibility of various approaches to providing energy to the school. The first option was going with a traditional method of delivering energy, updating the boiler, and supporting infrastructure. The second option was a hybrid approach combining geothermal energy for 50%-60% of the energy required and an updated boiler system for the rest. There would still be constraints on drilling on school property with this option. The third alternative would be utilizing 100% geothermal energy. The third is the most invasive initially, but ultimately resulting in more economical and greener energy. The Committee members discussed aspects of each option. Mr. Steve Wright responded to questions about the success of other geothermal projects DLA has done. Ms. Tracy Biederstadt shared physical plans with the Committee and provided additional background information on the requirements for a safe and efficient geothermal installation. She noted that all three options discussed require a partnership with the park district. The Committee discussed the necessity of an intergovernmental agreement between the school and park districts to outline the project's governance and the distribution of the costs. The Committee reviewed each option's financial investment and determined that long-term economic benefits



would offset initial costs and represent fiscal stewardship over time. The first option would require additional investment in the infrastructure not currently factored in but acknowledged the cost would be closer to the current budget. The other two options represented a better forecast in the future with increased sustainability, and efficiency, lowering costs over time. Another consideration discussed was the interruption to surrounding households in the community, which a geothermal solution, either partial or in total, would cause. The Board of Education would thoroughly address these concerns through community discussion and detailed, frequent communication. The Committee inquired about the maintenance required for a geothermal energy solution compared to the more traditional option. Ms. Biederstadt advised that the geothermal installation is less complicated and simpler to maintain than a boiler system. An added benefit is the removal of rooftop structures that have proven unreliable and costly. Mr. Jack Hayes noted there were more moving parts to a geothermal option but simpler to maintain. He responded to the committee members' questions regarding the physical appearance of the bore wells and the necessary access required for the equipment needed during construction.

Mr. Potter outlined the anticipated procedures for the project's governance to assure the Committee there would be more than adequate oversight and constant communication on progress. He, Mr. Bill Graham, Dr. Bailey, and Ms. Donegan will meet weekly with the construction manager and architects. This oversight committee will report to Mr. Lukasik with significant information promptly. Ms. Donegan advised the committee members that the full Board would have immediate access to all documents, minutes, or notes from the weekly meetings in an electronic file, similar to what the Board of Education uses for meetings. The committee members requested the community remains informed of the ongoing project's status throughout the duration, using the Master Facilities Plan web page.

Committee members were told that additional Memorandums of Understanding (MOU) would be created to amend current agreements in place. The intergovernmental agreement and MOU in place currently for the Village House project will not affect this project. The District will create a new intergovernmental agreement and subsequent MOUs. DLA's current contract with the District needs updating. New terms inclusive of the project's significant changes will be negotiated over the next couple of weeks.

There was a brief discussion of the other two construction phases. Clearer definitions of the phases' timing and their content will evolve as the project progresses. Mr. Lukasik requested Mrs. Campanaro edit the minutes for the December 3 Building and Finance meeting presented, to reflect the work included in Phase III correctly.

Mr. Wright, Ms. Biederstadt, and Mr. Hayes departed the meeting at 9:42 a.m.

Concept of Intergovernmental Agreement with the Kenilworth Park District

Mr. Potter reported that the Kenilworth Park District had taken the lead of their involvement concerning the construction project aspects in which they will be vested.

Ms. Donegan described the partnership anticipated with the Kenilworth Park District and how the Intergovernmental Agreement (IGA) might appear. She elaborated on programming the school district and the park district will provide, utilizing the new, shared spaces. She reported that the park district plans to do before and after school programming. The school district will be running two junior kindergarten sections next year with the possibility of adding a three-year-old session in subsequent years. The school



district will collaborate with the park district to provide student and community programming throughout the day. She said that the park district would like an improved partnership with the school district in utilizing spaces on the campus.

Ms. Donegan reflected on other practical aspects of the items governed by the IGA, including the agreement on the use of Townley Field if it is determined the school district will utilize one of the two options involving geothermal energy. Mr. Potter discussed other possible financial obligations incurred for using the field and purchasing/leasing property to complete the potential geothermal project. The park district indicated the possibility of installing a sprinkler system and resurfacing the field as options they would like addressed in any agreement with the school district. The Park District's Programming Director, Mr. Jonathan Kiawala, requested the IGA contain a more formal structure given to the times and locations assigned when the park district provides programming. There would be a fair and equitable distribution of these possible costs between the school district and the park district. The Committee briefly discussed a possible fee structure for programming outside the school day, informed by revenues and costs. They agreed an inability to pay should not prevent a child from participating in programs. The JSSPVA currently provides some scholarships on a confidential basis, and the committee members discussed the school district expanding on these if necessary.

Dr. Lisa Metzger-Mugg departed the meeting at 10:09 a.m.

Ms. Donegan asked the Building and Finance Committee to indicate their support in pursuing some of the proposals offered by the park district. The committee members felt the need to continue moving forward always with what is best for our students and our community in mind. The committee members also discussed possible issues with locations of the access "hauling" road. Ms. Donegan noted that Mr. Kiawala indicated that there would be community opposition regardless of using either Townley Field or the nearby street. Utilizing Townley Field would be the safest option, but the timing would be critical to the park district programming. Ms. Mia Casey Sachs recommended separate IGAs for plans on locating the access road and governance of the park district programming after completion of the project, neither should be encumbered by the other. The committee members agreed to keep these separate.

Debt Certificate Reimbursement Resolution

The Committee discussed the need to have the resolution to utilize debt certificates to finance Phase III of the construction project. Mr. Evan Lukasik was not certain that this was necessary at this time. Mr. Potter reported that while Phase II projected costs are conservative; there is no way to know what funding will be needed for Phase III until Phase II progresses. He reminded the committee members of Mrs. Elizabeth Hennessy's recommendation to have the resolution in place should debt certificates be needed. The passing of a resolution to issue debt certificates does not mandate the Board must use them.

INFORMATION ITEMS

Green Bay Trail Update

Mr. John Gottschall reviewed the status of proposed plans to purchase or lease property along the Green Bay Trail together with the Kenilworth Park District. He reported that Mr. Jonathan Kiawala had pursued this further with Union Pacific Railroad. Unfortunately, there has been little progress. The Park District



has commissioned an appraisal of the property under consideration, north of the train station up to the parking lot, to obtain an accurate value. Mr. Gottschall reported that it was understood prior, the railroad could not sell land within 25 feet of the tracks. He recently learned that the measurement of the 25 feet begins at the middle of the two train tracks, not at the edge of the nearest track. Indicating the swath of property available for purchase or lease is wider than previously considered, allowing more space to move Green Bay Trail. The committee members acknowledged the preference would be to purchase rather than lease the property but agreed to consider both options if things progress.

Student Sports Fee FY20 Update

Dr. Bailey led the discussion on student sports fees this fiscal year. He provided an overview of fees collected in 2020. Dr. Bailey responded to the committee members' questions regarding how fees are determined and why some sports fees are higher than others are. He explained that a sport like basketball is more costly to offer with the additional costs of more games, tournaments, and referees, and a higher student participation rate. These all contribute to higher operating costs. Other sports like track and field have a shorter season and fewer meets. He explored ways to reduce costs, such as coaches paid a stipend rather than an hourly rate. The Committee expressed an interest in the administrators investigating ways to encourage a break-even approach to student sports if possible. They discussed defining more clearly the difference between what is traditionally considered curricular and extra-curricular. The hope was defining these parameters would better inform a fee structure and programs that might become more cost-effective.

December Financial Reports

Dr. Bailey inquired if there were any questions regarding the December financial reports. The committee members had none. Mr. Lukasik requested Dr. Bailey provide additional information in his monthly financial reports. He would like to see monthly personnel costs like the District's TRS and benefit contributions and overtime and extra duty payments.

FY22 Budget Process

Dr. Bailey stated he had started the process of budgeting for the fiscal year 2022. He reviewed the content and timeline for completing the budget for the Board to review. Dr. Bailey anticipated delivery, possibly in May 2022 but more likely in June 2022. In response to a question about why May is usually the month when budgets come out, he noted there were still many unknowns that affect the budget prior to May. Ms. Donegan referenced unknown costs that can affect a zero balance budget. Items such as personnel costs, staffing, and this year, possible continued COVID mitigation costs that we will not have until April 2022 after the Administration makes their staffing recommendations for the following year. Mr. Potter requested that Dr. Bailey present a preliminary budget at the April Board meeting, with the understanding it is not final.

Annual Financial Metrics

The Committee reviewed other financials they would like to see annually to provide a complete picture. Some key data points identified were how the District compares historically on student costs, student to teacher ratio, and student growth. Mr. Potter suggested that providing this information in quadrants would



be the most useful and help identify trends. Mr. Lukasik requested non-financial comparisons as well, such as culture and climate data.

Review Minutes from December 3, 2020, Building & Finance Meeting

Mrs. Campanaro will make the changes referenced earlier in the meeting regarding items targeted for completion during Phase III of the Master Facilities Plan. She will distribute the amended version to all present today for further feedback before posting.

PUBLIC COMMENT

There was no public comment.

ADJOURNMENT

There being no further business, Mr. Potter entertained a motion to adjourn the meeting.

Mr. Bill Graham motioned to adjourn the meeting at 10:46 a.m. Mrs. Mia Casey Sachs seconded the motion.

The motion passed with all Ayes, and the meeting adjourned.

Attest for Distribution: DocuSigned by: Julie M. Campanaro
JEAN08DCE166
Julie M. Campanaro, Secretary

Approved: DocuSigned by: Stephen N. Potter
BAF01F73BF020
Stephen N. Potter, Committee Chairperson

ATTEST: DocuSigned by: Julie M. Campanaro
JEAN08DCE166
Julie M. Campanaro, Secretary