

MINUTES OF THE REGULAR MEETING  
OF THE  
PUBLIC BUILDING COMMISSION OF McLEAN COUNTY, ILLINOIS

Tuesday, February 7, 2017, 3:30 p.m. CDT

The Regular Meeting of the Public Building Commission of McLean County, Illinois (the "Commission") was called to order by Vice Chairman Zeunik on February 7, 2017 in Room 404 of the Government Center, 115 East Washington Street, Bloomington, McLean County, Illinois.

Secretary Morel called the roll, with the following members answering "present": Messrs. Zeunik, Morel, Zimmerman, Funk, Farnsworth, and Schultz. Messrs. Novosad, Harris, and Good were absent.

Also present were Commission Attorney Robert Porter; Commission Treasurer James Mulligan; Assistant McLean County Administrator Hannah Eisner; McLean County Director of Facilities Management Jack Moody; McLean County Director of Administrative Services Eric Schmitt; and Project Manager John Bishop of the Farnsworth Group, Inc.

No members of the media, press, and/or radio were present.

Vice Chairman Zeunik presented the Minutes of the January 3, 2017 Regular Meeting of the Commission for approval. Vice Chairman Zeunik asked if there were any corrections, additions, and/or revisions to the Minutes. Hearing none, Vice Chairman Zeunik asked for a Motion to approve the Regular Meeting Minutes. It was moved by Mr. Farnsworth and seconded by Mr. Zimmerman that the Minutes of the January 3, 2017 Regular Meeting be approved as submitted. Vice Chairman Zeunik called for a vote on the Motion to approve the Minutes and the Motion was unanimously approved by voice vote.

Vice Chairman Zeunik then asked Commission Treasurer James Mulligan to present the Treasurer's Report for the fiscal year. Mr. Mulligan initially noted that Sulaski & Webb, CPAs had completed a draft of the Commission's Fiscal Year 2016 Audit Report, which draft was being internally reviewed by Sulaski & Webb before being distributed to the Commission. Mr. Mulligan indicated that any interested Commissioner could review the draft Audit Report and that the draft Audit Report would further be furnished to County Auditor Michelle Anderson for her review.

Mr. Mulligan next noted that he had recently deposited five million dollars and 00/100 (\$5,000,000.00) into the Commission's "Project Fund" checking account at Bloomington-Normal Community Bank. The five million dollars and 00/100 (\$5,000,000.00) was derived from two (2) of the Commission's Bloomington-Normal Community Bank C.D.s that matured on January 29, 2017.

Mr. Mulligan stated that this would allow the Commission to meet upcoming construction-related expenses for the McLean County Law & Justice Center Expansion Project. Mr. Mulligan further relayed that the balance of the maturing funds from the two (2) internal bank C.D.s had been rolled over into a new one (1)-year internal bank C.D. at Bloomington-Normal Community Bank at an annual yield of eighty-five (85) basis points. Mr. Mulligan then noted that approximately twenty-two million seven hundred fifty thousand dollars and 00/100 (\$22,750,000.00) of the Commission's Bloomington-Normal Community Bank C.D.s would mature on July 29, 2017, at which time the Commission would need to determine how much of those funds to keep liquid versus re-invest.

Mr. Mulligan lastly noted that the Commission's disbursements were listed on page sixteen (16) of the Treasurer's Report and that one (1) of those disbursements was a payment to McLean County in the amount of two million five hundred seventy-three thousand five hundred fifty-eight dollars and 00/100 (\$2,573,558.00) for operation and maintenance costs incurred during 2016.

Vice Chairman Zeunik then asked if there were any additional questions or comments for Mr. Mulligan on the Treasurer's Report. Hearing none, Vice Chairman Zeunik asked for a Motion to approve the Treasurer's Report and proposed payments as submitted. It was moved by Mr. Zimmerman and seconded by Mr. Schultz that the Treasurer's Report and proposed payments be approved as submitted. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Vice Chairman Zeunik next turned to the Commission's "Old Business" and asked County Director of Facilities Management Jack Moody to provide the Commission with a status report on the Government Center and Juvenile Detention Center roof replacements. Mr. Moody indicated that Henson Robinson Company is more than halfway done with replacing the roof on the Juvenile Detention Center. Mr. Moody noted that the work on the Government Center's roof would commence once the Juvenile Detention Center's re-roofing work was completed. Mr. Moody noted that Henson Robinson had already stopped the leaks in the Juvenile Detention Center's roof.

Vice Chairman Zeunik then asked if there were any questions or comments for Mr. Moody concerning the Government Center and Juvenile Detention Center roof replacements. Hearing none, Vice Chairman Zeunik asked Mr. Moody to report on the status of Ideal Environmental Engineering, Inc.'s expanded environmental survey of the McLean County Law & Justice Center. Mr. Moody noted that Steve Rock, a field testing inspector with Ideal Environmental Engineering, began taking asbestos samples throughout the original, first (1st) four (4) floors of the McLean County Law & Justice Center last Thursday and Friday, February 2nd and 3rd, respectively. Mr. Moody reminded the Commission that, in late October 2016, Ideal Environmental Engineering had conducted asbestos testing in those areas of the Jail set to be impacted by the Law & Justice Center Expansion Project. Mr. Moody noted that asbestos requiring remediation was identified during this inspection. Mr. Moody indicated that he expected to learn of Mr. Rock's findings in the very near future.

Vice Chairman Zeunik then asked if there were any questions or comments for Mr. Moody regarding the status of Ideal Environmental Engineering's expanded environmental survey of the

McLean County Law & Justice Center. Hearing none, Vice Chairman Zeunik asked Commission Attorney Robert Porter to address the status of the 2017 Amendment to the Amended and Restated Lease Agreement as well as the 2017 Amendment to the Contract for Operation and Maintenance. With respect to the 2017 Amendment to the Amended and Restated Lease Agreement, Mr. Porter noted that the County Board approved the Amendment at its regular meeting on January 17, 2017. Mr. Porter indicated that the Amendment still needed to be approved by the Bloomington City Council, but that the Council would take the matter up in the near future. Mr. Porter reminded the Commission that, under the 2017 Amendment to the Amended and Restated Lease Agreement, the Commission is set to receive five million eight hundred three thousand two hundred eighty-five dollars and 00/100 (\$5,803,285.00) in lease payments from the County in 2017 and one million sixty-six thousand three hundred eighteen dollars and 00/100 (\$1,066,318.00) in lease payments from the City in 2017.

With respect to the 2017 Amendment to the Contract for Operation and Maintenance, Mr. Porter noted that the County Board approved the Amendment at its regular meeting on January 17, 2017. Mr. Porter reminded the Commission that, under the 2017 Amendment to the Contract for Operation and Maintenance, the Commission is set to tender two million seven hundred eighty-three thousand two hundred thirty-four dollars and 00/100 (\$2,783,234.00) to the County for the performance of operation and maintenance in 2017. Mr. Porter noted that the Commission would thus receive two hundred thirty-one thousand nine hundred thirty-six dollars and 17/100 (\$231,936.17) monthly operation and maintenance invoices from McLean County.

Vice Chairman Zeunik then asked if there were any questions or comments for Mr. Porter regarding the status of the 2017 Amendment to the Amended and Restated Lease Agreement or the 2017 Amendment to the Contract for Operation and Maintenance. Hearing none, Vice Chairman Zeunik asked Mr. Porter to address the re-investment of the Commission's Heartland Bank & Trust Company "Money Market Fund" into a U.S. Treasury money market fund. Mr. Porter noted that the Commission has approximately two million one hundred ninety-five thousand five hundred thirty-five dollars and 36/100 (\$2,195,535.36) invested in a Money Market Fund at Heartland Bank & Trust Company. Mr. Porter indicated that these funds are identified as "Restricted Funds – HBT – Government Center Proceeds" in the monthly Treasurers' Reports. Mr. Porter noted that the Money Market Fund contains various Treasury obligations and other U.S. Government-backed securities.

Mr. Porter relayed that he and attorneys from Chapman & Cutler, LLP. reviewed the Money Market Fund's account history several months ago as a part of Mr. Porter's responsibilities as the Commission's Post-Issuance Compliance Officer. In examining the Money Market Fund, Mr. Porter noted that the possibility arose that the Money Market Fund contained a small amount of unspent Bond Proceeds from a prior Issue. Mr. Porter reminded the Commission that a variety of restrictions attach to its Bond Proceeds after three (3) years from the date of Issuance. Mr. Porter noted that one (1) such restriction is the fact that Bond Proceeds cannot be collateralized by a federal guarantee other than U.S. Treasuries or other State and Local Obligations purchased directly from the U.S. Treasury. Mr. Porter accordingly relayed that Chapman & Cutler had advised him that, to be safe, the

funds contained in the Money Market Fund should be re-invested exclusively in U.S. Treasuries.

Mr. Porter noted that, last summer, he, Chairman Novosad, Vice Chairman Zeunik, and Treasurer Mulligan met with representatives of Heartland Bank & Trust Company to discuss different re-investment options for the Money Market Fund. In light of the collateralization restrictions, Mr. Porter recalled that he asked Heartland Bank & Trust Company to put together a long-term, U.S. Treasury money market fund, which proposal, Mr. Porter indicated, was included in the Commissioner's meeting packets. Mr. Porter noted that the proposal had a weighted average of two and-a-half (2.5) years with an annual return of one hundred twenty-seven (127) basis points. Mr. Porter noted that Heartland Bank & Trust Company would charge a twenty-five (25) basis point annual fee. Mr. Porter noted that the Commission is currently receiving a return of thirty-two (32) basis points on its Money Market Fund.

Mr. Porter recommended that the Commission vote to re-invest its Money Market Fund into a long-term Treasury money market fund in order to ensure that the funds are properly invested and to increase their yield during difficult budgetary times. Mr. Porter indicated that it makes sense to leave some of the Commission's funds with Heartland Bank & Trust Company as Heartland Bank & Trust Company has historically served as paying agent on the Commission's Bond Issues.

Mr. Funk noted that it appeared that the Commission had commingled funds and inquired as to whether efforts would be made to rectify the situation. Mr. Porter responded by noting that the Commission did not have the available records from fifteen (15) to twenty (20) years ago to segregate out the funds in the Money Market Fund by specific Bond Issue and source.

Mr. Schultz inquired as to whether the proposal laddered out Treasuries and Mr. Mulligan indicated that the proposal was laddered out.

Mr. Funk then inquired as to how far the proposal was laddered out and Mr. Porter indicated that the ladder went out five (5) years. Mr. Funk next asked whether the funds were restricted and for how long. Mr. Porter responded by noting that, conservatively-speaking, the funds were restricted until the Government Center Bond Proceeds are paid in full at the end of 2021. Mr. Funk thereafter asked whether the Money Market Fund could simply be placed into a five (5)-year Treasury note and Mr. Porter responded in the affirmative.

Mr. Schultz then noted that, after Heartland Bank & Trust Company receives its annual management fee, the Commission would be yielding an annual return on its investment of approximately one hundred (100) basis points.

Mr. Farnsworth then noted that investigating the re-investment of the Heartland Bank & Trust Company Money Market Fund must have taken considerable work. Mr. Porter responded by noting that examining the account and determining a proper investment strategy would save the Commission from conducting further due diligence work in the future.

Vice Chairman Zeunik then asked if there were any additional questions or comments for Mr. Porter regarding the re-investment of the Commission's Heartland Bank & Trust Company "Money Market Fund" into a U.S. Treasury money market fund. Hearing none, Vice Chairman Zeunik asked for a Motion to approve the re-investment of the Commission's Heartland Bank & Trust Company "Money Market Fund" into a U.S. Treasury money market fund, as proposed by Heartland Bank & Trust Company, and to retain Heartland Bank & Trust Company to manage said fund. It was moved by Mr. Farnsworth and seconded by Mr. Funk to approve the re-investment of the Commission's Heartland Bank & Trust Company "Money Market Fund" into a U.S. Treasury money market fund, as proposed by Heartland Bank & Trust Company, and to retain Heartland Bank & Trust Company to manage said fund. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Vice Chairman Zeunik next turned to the Commission's "New Business" and asked Mr. Moody and Project Manager John Bishop of the Farnsworth Group to discuss the McLean County Law & Justice Center Expansion Project.

Mr. Moody initially noted that representatives of McLean County and the Farnsworth Group had conducted a "page-turn" review of the Project's design and construction documents prior to the Commission's meeting. Mr. Moody noted that the next step would be to place the Project out for bid.

Mr. Bishop stated that the Illinois Environmental Protection Agency had finalized its review of the water main permit and that the Farnsworth Group had issued multiple permit sets to the City of Bloomington for that entity's review and approval. Mr. Bishop indicated that bid documents would be publicly circulated in approximately two (2) weeks and that a final "page-turn" review of the Project's design and construction documents would take place next week.

Mr. Bishop then showed the Commission certain interior images of the new Jail facility that will be constructed as a part of the Law & Justice Center Expansion Project. In reviewing the images, Mr. Bishop noted that all of the pods feature a finalized, less-institutional color scheme and that the sound panels in the sub-day rooms feature the image of a pixelated forest. Mr. Bishop further noted that the sub-day rooms feature green accents and green doors. Mr. Bishop also pointed out images of the correctional officers' elevated control stations.

Vice Chairman Zeunik asked Mr. Bishop what direction the stairways were pointing towards and Mr. Bishop noted that the stairways were pointing to the east, away from the corridor leading to the existing structure.

Mr. Bishop next showed the Commission certain exterior images of the new Jail facility. Mr. Bishop noted that the exterior design features staggered windows on both the southeast and northeast facades.

Vice Chairman Zeunik then inquired as to whether there were any additional questions or

comments for either Mr. Moody or Mr. Bishop regarding the McLean County Law & Justice Center Expansion Project. Hearing none, Vice Chairman Zeunik asked Mr. Moody and Mr. Bishop to provide a status report on the winter site preparation work phase of the McLean County Law & Justice Center Expansion Project.

Mr. Moody initially noted that site preparation work has been ongoing with respect to sanitary sewers, lights, and light poles. Mr. Moody indicated that Stark Excavating would commence work on the water mains once it receives an anticipated permit from the Illinois Environmental Protection Agency.

Mr. Bishop noted that Stark Excavating had submitted its first (1st) invoice and that the Farnsworth Group was happy with Stark Excavating's progress.

Vice Chairman Zeunik then asked whether there were any additional questions or comments for either Mr. Moody or Mr. Bishop regarding the winter site preparation work phase of the McLean County Law & Justice Center Expansion Project. Hearing none, Vice Chairman Zeunik noted that the Farnsworth Group was asking the Commission to approve the McLean County Law & Justice Center Expansion Project's revised exterior design, as presented. Vice Chairman Zeunik noted that the Commission had approved the previous exterior design at its October 4, 2016 meeting upon the recommendation of the County.

Mr. Farnsworth then inquired as to whether McLean County had in fact approved the revised exterior design.

Mr. Moody responded by noting that the County Board's Property Committee approved the exterior design at its meeting on February 1, 2017 and that Sheriff Jon Sandage had approved the design as well.

County Director of Administrative Services Eric Schmitt noted that the City of Bloomington was also supportive of the revised exterior design.

Vice Chairman Zeunik then inquired as to whether there were any additional questions or comments regarding the McLean County Law & Justice Center Expansion Project's revised exterior design. Hearing none, Vice Chairman Zeunik asked for a motion to approve the McLean County Law & Justice Center Expansion Project's revised exterior design, as presented. It was moved by Mr. Zimmerman and seconded by Mr. Funk to approve the McLean County Law & Justice Center Expansion Project's revised exterior design, as presented, and the Motion was unanimously passed by voice vote.

Vice Chairman Zeunik next noted that the Commission would need to approve the publication of requests for proposals for the construction of the McLean County Law & Justice Center Expansion Project. Vice Chairman Zeunik reminded the Commission that the Project

schedule calls for the publication of invitations to bid in approximately two (2) weeks' time. Vice Chairman Zeunik then inquired whether there were any questions or comments regarding the publication of requests for proposals for the construction of the McLean County Law & Justice Center Expansion Project. Hearing none, Vice Chairman Zeunik asked for Motion to approve the publication of requests for proposals for the construction of the McLean County Law & Justice Center Expansion Project in accordance with the Project schedule prepared by the Farnsworth Group. It was moved by Mr. Funk and seconded by Mr. Farnsworth to approve the publication of requests for proposals for the construction of the McLean County Law & Justice Center Expansion Project in accordance with the Project schedule prepared by the Farnsworth Group and the Motion was unanimously passed by voice vote.

Vice Chairman Zeunik then noted that the Commission had been presented with an invoice from the Farnsworth Group in the amount of three hundred forty thousand five hundred seventy-six dollars and 42/100 (\$340,576.42). This amount represents the fee incurred by the Farnsworth Group/HOK during the month of January.

Vice Chairman Zeunik asked Mr. Moody whether the invoice was in order. Mr. Moody indicated that the invoice was in order and that it represented costs associated with the completion of eighty-five percent (85%) of the construction document phase.

Vice Chairman Zeunik then asked if there were any questions or comments regarding the Farnsworth Group's January invoice. Hearing none, Vice Chairman Zeunik asked for a Motion to approve payment to the Farnsworth Group in the amount of three hundred forty thousand five hundred seventy-six dollars and 42/100 (\$340,576.42) from the Series 2015 Public Building Revenue Bond Issue's "Project Fund" for services rendered on the Law & Justice Center Expansion Project during the month of January 2017. It was moved by Mr. Zimmerman and seconded by Mr. Schultz to approve payment to the Farnsworth Group in the amount of three hundred forty thousand five hundred seventy-six dollars and 42/100 (\$340,576.42) from the Series 2015 Public Building Revenue Bond Issue's "Project Fund" for services rendered on the Law & Justice Center Expansion Project during the month of January 2017. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Vice Chairman Zeunik next noted that the Commission had been presented with an invoice from Stark Excavating in the amount of twenty-one thousand four hundred eighty-seven dollars and 50/100 (\$21,487.50). This amount represents the fee incurred by Stark Excavating during the month of January.

Vice Chairman Zeunik asked Mr. Moody whether the invoice was in order. Mr. Moody indicated that the invoice was in order and that it principally represented the cost of Stark Excavating's mobilization and fencing.

Vice Chairman Zeunik inquired as to whether Stark Excavating's work would pick-up in the

coming weeks and Mr. Bishop indicated that it would.

Vice Chairman Zeunik then asked if there were any additional questions or comments regarding Stark Excavating's January invoice. Hearing none, Vice Chairman Zeunik asked for a Motion to approve payment to Stark Excavating in the amount of twenty-one thousand four hundred eighty-seven dollars and 50/100 (\$21,487.50) from the Series 2015 Public Building Revenue Bond Issue's "Project Fund" for services rendered on the winter site preparation work during the month of January 2017. It was moved by Mr. Funk and seconded by Mr. Zimmerman to approve payment to Stark Excavating in the amount of twenty-one thousand four hundred eighty-seven dollars and 50/100 (\$21,487.50) from the Series 2015 Public Building Revenue Bond Issue's "Project Fund" for services rendered on the winter site preparation work during the month of January 2017. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Vice Chairman Zeunik then asked whether any Commissioner had any "Other Business" to discuss before the Commission.

Mr. Farnsworth then inquired about the status of the CII East Building and Assistant County Administrator Hannah Eisner indicated that the City of Bloomington has been talking with the owner about the building's upkeep and future.

There being no "Other Business," Vice Chairman Zeunik asked for a Motion to adjourn. It was moved by Mr. Farnsworth and seconded by Mr. Zimmerman that the meeting adjourn and the Motion was unanimously approved by voice vote. The meeting was adjourned at 4:15 p.m. The next regular meeting of the Commission will be Tuesday, March 7, 2017, at 3:30 p.m.

APPROVED:

March 7, 2017



JOHN L. MOREL,  
Secretary, Public Building Commission

