

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

Tuesday, March 5, 2019, at 3:30 p.m. CDT

The Public Building Commission of McLean County, Illinois (the "Commission") was called to order by Chairman Novosad on March 5, 2019, 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": Novosad, Zimmerman, Morel, Schultz, Reid, Fruin, and Fazzini. Messrs. Farnsworth and Harris were absent.

Also present were Commission Attorney Robert Porter; Commission Treasurer James Mulligan; County Director of Administrative Services Eric Schmitt; Mr. Jack Moody; Project Manager John Bishop of the Farnsworth Group, Inc.; and County Board Member James Soeldner (arrived at 3:45 p.m. and departed at 4:15 p.m.).

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

Chairman Novosad began by presenting the Minutes of the February 5, 2019 Regular Meeting of the Commission for approval. Chairman Novosad asked if there were any questions, additions, and/or revisions to the Minutes. Hearing none, Chairman Novosad asked for a Motion to approve the Regular Meeting Minutes. It was moved by Mr. Zimmerman and seconded by Mr. Fruin that the Minutes of the February 5, 2019 Regular Meeting be approved as submitted. Chairman Novosad called for a vote on the Motion to approve the Minutes and the Motion was unanimously approved by voice vote.

Chairman Novosad next called on Commission Treasurer James Mulligan to present the Treasurer's Report for the fiscal year. Mr. Mulligan first (1st) noted that the Treasurer's Report had been updated to reflect the Commission's most recent interest earnings on a majority of its accounts. Mr. Mulligan nevertheless stated that certain account statements, including statements from Heartland Bank & Trust Co., PNC, and WinTrust Financial, had not yet been received. Mr. Mulligan indicated that the Commission's various accounts yielded annual interest earnings of between .1% on its checking account at J.P. Morgan Chase Bank to two and-a-half percent (2.5%) on its twelve (12)-month C.D.s at Morton Community Bank. Mr. Mulligan added that the Commission was receiving an approximately two-percent (2%) yield on its U.S. Treasury holdings.

Mr. Mulligan noted that the disbursements were listed on page fifteen (15) of the Treasurer's Report. Mr. Mulligan also indicated that the Project Fund payments were delineated on page sixteen

(16) of the Treasurer's Report and that approximately five million three hundred thousand dollars and 00/100 (\$5,300,000.00) remained in the Project Fund.

Mr. Mulligan next stated that he and Commission Attorney Robert Porter had received "DRAFT" copies of the Commission's Fiscal Year 2018 Audit Report from Dawn Carlson of MCK CPAs & Advisors. Mr. Mulligan then noted that Ms. Carlson was working with County Auditor Michelle Anderson to ensure that the Commission's Audit Report reconciles with the County's Audit Report. Mr. Mulligan indicated that he and Mr. Porter have discussed some proposed revisions to the Audit Report with Ms. Carlson. Mr. Mulligan then stated that Mr. Porter would distribute copies of the "DRAFT" Audit Report to the Commissioners for their review and comments.

Mr. Fazzini noted that page sixteen (16) of the Treasurer's Report listed a line item expenditure for Suzi Davis Travel and asked for an explanation of this expense. In response, Mr. Mulligan stated that the expenditure was to cover the cost of a team of County and Commission personnel visiting various jails in Georgia during the Project's design phase.

Chairman Novosad then asked Mr. Mulligan as to the amount remaining in the Commission's Project Fund. Mr. Mulligan noted that the number stood between five million three hundred thousand dollars and 00/100 (\$5,300,000.00) and five million four hundred thousand dollars and 00/100 (\$5,400,000.00).

Chairman Novosad also inquired as to the yield that the Commission was receiving on the investment of the remaining proceeds from its Series 2015 Public Building Revenue Bond Issue. Mr. Mulligan replied by noting that the yield ranged between two percent (2%) and two and-a-half percent (2.5%).

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

There being no "Old Business," Chairman Novosad next turned to the Commission's "New Business" and asked Project Manager John Bishop of the Farnsworth Group, Inc., Mr. Jack Moody, and County Director of Administrative Services Eric Schmitt to discuss the architectural design, engineering services, and construction administration of the McLean County Law & Justice Center Expansion Project.

Mr. Bishop initially noted that work was proceeding in the existing Jail facility. Mr. Bishop specifically indicated that asbestos abatement, demolition, and masonry work had all been completed within the existing Jail facility. Mr. Bishop then stated that framing, painting, and electrical fit out work was currently underway within the existing facility.

Mr. Bishop next showed the Commission a photograph of the exterior of the new Jail facility, a photograph of the area of the existing Jail facility that will become the nurses' station, a photograph of the areas of the existing Jail facility that will become examination rooms and a dental office, a photograph of the area of the existing Jail facility that will become observation cells, a photograph of the area of the existing Jail facility that will become the infirmary, and a photograph of the existing Jail facility that will become a multipurpose room.

Chairman Novosad inquired as to whether the Project was tracking on time and on budget and Mr. Bishop responded in the affirmative.

Mr. Bishop then noted that next month will mark the three (3)-year anniversary of the beginning of the Project's construction phase.

Mr. Zimmerman remarked that River City Construction, LLC.'s Cost Flow Analysis revealed that actual Project expenditures have been closely mirroring projected Project expenditures.

Mr. Bishop next indicated that he had recently issued Allowance Authorization Fourteen (14). Mr. Bishop noted that he still needed to furnish the Commission with a summary memorandum for this Allowance Authorization. Mr. Bishop critically noted that Allowance Authorization Fourteen (14) would nearly deplete the Commission's contractually-allocated contingency fund.

Chairman Novosad noted that Allowance Authorization Fourteen (14) nearly exhausts the entirety of the Commission's contractually-allocated contingency fund. Chairman Novosad noted that just ten thousand dollars and 00/100 (\$10,000.00) remained. Chairman Novosad remarked that the Commission just voted to increase its contractually-allocated contingency fund by four hundred thousand dollars and 00/100 (\$400,000.00) at its February 5, 2019 Regular Monthly Meeting. Chairman Novosad then questioned how that money had been utilized so quickly.

Mr. Bishop responded by noting that he received a great deal of pricing from River City Construction, LLC. after the Commission's February 5th Regular Monthly Meeting.

Chairman Novosad then asked Mr. Schmitt whether he was comfortable with the pricing included on Allowance Authorization Fourteen (14) and Mr. Schmitt responded in the affirmative.

Chairman Novosad remarked that there were no individual items on Allowance Authorization Fourteen (14) in excess of fifty thousand dollars and 00/100 (\$50,000.00). Mr. Bishop stated that the single most expensive line item was the approximately twenty-seven thousand dollars and 00/100 (\$27,000.00) it would cost to bring a flushing floor drain up to code.

Mr. Porter then asked Mr. Bishop whether he had any sense as to the cost of outstanding changes on the remodeling work. In response, Mr. Bishop indicated that he had seen pricing for

eighty-five thousand dollars and 00/100 (\$85,000.00) of changes, but did not have a good opinion as to what total costs might look like.

Chairman Novosad then asked whether there were any large, outstanding changes on the horizon. Mr. Bishop indicated that any such changes would be smaller items.

Chairman Novosad indicated that the Commission had thus far expended four and-a-half percent (4.5%) of the total contract cost on changes. Chairman Novosad then asked Mr. Reid to comment on his experiences with contract changes and whether this amount seemed reasonable.

Mr. Reid stated that the amount the Commission has expended on changes is fairly low given the overall scope and complexity of the Law & Justice Center Expansion Project. Mr. Reid specifically indicated that owners typically expend eight percent (8%) to nine percent (9%) of the overall contract price on changes.

Mr. Bishop then indicated that some additional fire-proofing work was performed in the existing Jail facility on a time and materials basis. Mr. Bishop stated that he had yet to see pricing for this work.

Mr. Moody indicated that the existing Jail is over forty-two (42) years old and that unforeseen conditions are inevitable.

Chairman Novosad reminded the Commission that it had voted twice in the past to increase its contractually-allocated contingency fund. The Commission increased this fund by three hundred fifty thousand dollars and 00/100 (\$350,000.00) when it approved Change Order Three (3) and the Commission increased this fund by another four hundred thousand dollars and 00/100 (\$400,000.00) when it approved Change Order Five (5). Chairman Novosad then asked for input as to whether the Commission should vote to increase its contractually-allocated contingency fund or whether the Commission should process future changes on a Change Order-by-Change Order basis.

Both Messrs. Moody and Bishop stated that they thought there was value in continuing with an Allowance Authorization approach.

Chairman Novosad then requested that Mr. Bishop provide Mr. Porter with a recommendation as to how much additional contingency would be needed prior to the Commission's next meeting.

Chairman Novosad then asked Mr. Bishop whether the Commission would need to pay for any overtime work. In response, Mr. Bishop noted that the issue of overtime for demolition work had already been addressed. Mr. Bishop nonetheless noted that River City Construction, LLC. had been performing overhead work in the existing Jail facility during the second (2nd) shift. Mr. Bishop stated that this second (2nd) shift work carries an added cost that will need to be addressed in the

future.

Chairman Novosad next inquired whether there was any potential for future contract delays. Mr. Schmitt responded to Chairman Novosad by stating his belief that River City Construction, LLC. would meet its June 12, 2019 target completion date.

Mr. Reid asked about the potential for any surprises at the end of the Project and Mr. Bishop stated that he did not anticipate any surprises. Mr. Bishop added that River City Construction, LLC. has been very diligent about processing requests for proposals.

Mr. Reid then asked whether five percent (5%) retainage was still being held back on most subcontractors. Mr. Bishop indicated that retainage had only been released for those subcontractors who had finished all of their work early in the Project.

Mr. Zimmerman asked whether punch list work would take place in June. In response, Mr. Bishop stated that punch list work would occur in August.

Mr. Reid asked whether the Commission had experienced any issues with obtaining partial lien waivers and Mr. Porter responded in the negative.

Mr. Mulligan then noted that the Commission is carrying approximately one million three hundred thousand dollars and 00/100 (\$1,300,000.00) of remaining contingency in its Project Fund. Mr. Mulligan asked whether there would be any potential of exceeding this amount on future changes. In response, Mr. Schmitt noted that he did not see a great many outstanding expenses remaining.

Chairman Novosad stated that Mr. Mulligan raised a good point and noted that the Commission did not have a large "cushion" left.

Mr. Schmitt added that he has vetoed certain proposed changes in recent weeks in order to save money on the Project.

Chairman Novosad then asked if there were any additional general comments or questions regarding the status of the McLean County Law & Justice Center Expansion Project. Hearing none, Chairman Novosad stated that the Commission had received an invoice from the Farnsworth Group, Inc. on February 27, 2019 in the amount of fourteen thousand eleven dollars and 00/100 (\$14,011.00). This amount represented the fee incurred by the Farnsworth Group, Inc. during the month of February 2019.

Chairman Novosad 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 ninety-two percent (92%) of the Project's construction phase.

Chairman Novosad asked if there were any questions or comments regarding the Farnsworth Group, Inc.'s February 2019 invoice. Hearing none, Chairman Novosad asked for a Motion to approve payment to the Farnsworth Group, Inc. in the amount of fourteen thousand eleven dollars and 00/100 (\$14,011.00) 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 February 2019. It was moved by Mr. Zimmerman and seconded by Mr. Fruin to approve payment to the Farnsworth Group, Inc. in the amount of fourteen thousand eleven dollars and 00/100 (\$14,011.00) from the Series 2015 Public Building Revenue Bond Issue's Project Fund. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad next noted that the Commission had been presented with an invoice from River City Construction, LLC. on February 28, 2019 in the amount of six hundred twenty thousand one hundred sixty-six dollars and 24/100 (\$620,166.24). This amount represented the fee incurred by River City Construction, LLC. during the month of February 2019. Chairman Novosad asked Mr. Moody whether the fee was in order and Mr. Moody responded in the affirmative. Chairman Novosad asked Mr. Bishop whether he had approved the invoice and Mr. Bishop responded in the affirmative.

Chairman Novosad asked if there were any additional questions or comments regarding River City Construction, LLC.'s February 2019 invoice. Hearing none, Chairman Novosad asked for a Motion to approve payment to River City Construction, LLC. in the amount of six hundred twenty thousand one hundred sixty-six dollars and 24/100 (\$620,166.24) 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 February 2019. It was moved by Mr. Schultz and seconded by Mr. Reid to approve payment to River City Construction, LLC. in the amount of six hundred twenty thousand one hundred sixty-six dollars and 24/100 (\$620,166.24) 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 February 2019. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad next noted that McLean County was requesting reimbursement from the Commission in the amount of six thousand one hundred dollars and 00/100 (\$6,100.00) for work performed by Abateco, Inc. Chairman Novosad asked Mr. Schmitt to address this matter further with the Commission.

Mr. Schmitt then indicated that the County had paid Abateco, Inc. in the amount of six thousand one hundred dollars and 00/100 (\$6,100.00) for the performance of asbestos remediation in the existing Jail facility and was now seeking reimbursement for the same. Mr. Schmitt added that the amount constituted Abateco, Inc.'s final fee and was significantly less than what the County had previously anticipated.

Chairman Novosad asked if there were any questions or comments regarding the County's reimbursement request. Hearing none, Chairman Novosad asked for a Motion to approve payment to McLean County in the amount of six thousand one hundred dollars and 00/100 (\$6,100.00) from the Series 2015 Public Building Revenue Bond Issue's Project Fund for reimbursement of amounts paid to Abateco, Inc. It was moved by Mr. Fazzini and seconded by Mr. Schultz to approve payment to McLean County in the amount of six thousand one hundred dollars and 00/100 (\$6,100.00) from the Series 2015 Public Building Revenue Bond Issue's Project Fund for reimbursement of amounts paid to Abateco, Inc. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad then stated that McLean County was requesting reimbursement from the Commission in the amount of one thousand one hundred forty-six dollars and 50/100 (\$1,146.50) for work performed by Ideal Environmental Engineering, Inc. Chairman Novosad asked Mr. Schmitt to address this matter further with the Commission.

Mr. Schmitt stated that the County had paid Ideal Environmental Engineering, Inc. in the amount of one thousand one hundred forty-six dollars and 50/100 (\$1,146.50) for its work in monitoring Abateco, Inc.'s performance of asbestos remediation in the existing Jail facility.

Chairman Novosad asked if there were any questions or comments regarding the County's reimbursement request. Hearing none, Chairman Novosad asked for a Motion to approve payment to McLean County in the amount of one thousand one hundred forty-six dollars and 50/100 (\$1,146.50) from the Series 2015 Public Building Revenue Bond Issue's Project Fund for reimbursement of amounts paid to Ideal Environmental Engineering, Inc. It was moved by Mr. Fazzini and seconded by Mr. Zimmerman to approve payment to McLean County in the amount of one thousand one hundred forty-six dollars and 50/100 (\$1,146.50) from the Series 2015 Public Building Revenue Bond Issue's Project Fund for reimbursement of amounts paid to Ideal Environmental Engineering, Inc. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad next noted that the County was seeking reimbursement in the amount of thirty-one thousand four hundred seventy-two dollars and 57/100 (\$31,472.57) for FF&E items purchased as a part of the Law & Justice Center Expansion Project. Chairman Novosad asked Mr. Schmitt to address this matter further with the Commission.

Mr. Schmitt stated that the County spent three hundred fifty-nine dollars and 97/100 (\$359.97) on step ladders, fourteen dollars and 99/100 (\$14.99) on a wall clock, nineteen dollars and 99/100 (\$19.99) on a dry erase board, five hundred ninety-nine dollars and 00/100 (\$599.00) on an AED, ninety-nine dollars and 00/100 (\$99.00) on an AED cabinet, twenty-nine thousand nine hundred eleven dollars and 03/100 (\$29,911.03) on handheld radios, two hundred twenty-three dollars and 25/100 (\$223.25) on a medical waste receptacle, and two hundred forty-five dollars and 34/100 (\$245.34) on a medical lab stool.

Mr. Fazzini asked whether the old handheld radios were discarded. Mr. Schmitt replied by

noting that the old handheld radios were traded in.

Mr. Zimmerman then remarked that the FF&E invoices furnished by the County to the Commission totaled more than thirty-one thousand four hundred seventy-two dollars and 57/100 (\$31,472.57). Mr. Schmitt stated that this was because the County purchased additional AEDs for which it was not seeking reimbursement. Mr. Schmitt noted that these AEDs would be placed in a number of County-occupied facilities unrelated to either the new or existing Jail facilities.

Chairman Novosad then noted that, to date, the Commission had spent one hundred sixty-six thousand seven hundred twenty-one dollars and 72/100 (\$166,721.72) on FF&E. Chairman Novosad inquired of Mr. Schmitt as to how much the County was still anticipating spending on FF&E and Mr. Schmitt stated that he was not anticipating large additional costs.

Chairman Novosad asked if there were any additional comments or questions regarding the reimbursement requests. Hearing none, Chairman Novosad asked for a Motion to approve reimbursing McLean County in the amount of thirty-one thousand four hundred seventy-two dollars and 57/100 (\$31,472.57) from the Series 2015 Public Building Revenue Bond Issue's Project Fund. It was moved by Mr. Fruin and seconded by Mr. Schultz to reimburse McLean County in the amount of thirty-one thousand four hundred seventy-two dollars and 57/100 (\$31,472.57) from the Series 2015 Public Building Revenue Bond Issue's Project Fund. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad next turned to the Commission's "Other Business" and asked Mr. Schmitt about the planned erection of a statue in the East Street Parking Lot. In response, Mr. Schmitt noted that the East Street Parking Lot was once the site of lodging and training for circus performers. Mr. Schmitt stated that there is talk of placing a statue in the East Street Parking Lot to commemorate that history.

Mr. Zimmerman then inquired as to how the move-in for the new Jail facility was proceeding. Mr. Schmitt responded by noting that the move-in required the development of a host of new protocols, but that it was proceeding positively.

Mr. Mulligan asked whether the new Jail facility's kitchen was operational and Mr. Schmitt replied that it would be operational in the very near future.

Mr. Reid asked whether the move-in process was still ongoing and Mr. Schmitt responded in the affirmative.

Chairman Novosad then asked Mr. Porter to discuss the Commissioners' annual Statement of Economic Interest filings. Mr. Porter noted that the Commissioners should all have been contacted by the McLean County Clerk's Office regarding their annual obligation to file Statements of Economic Interest. Mr. Porter indicated that the Commissioners needed to submit their completed

Statements of Economic Interest forms to the Clerk's Office by May 1st in order to avoid fines. Mr. Porter lastly asked all Commissioners to send him a copy of the receipts they receive from the Clerk's Office upon completion of their Statements of Economic Interest. Mr. Porter then added that the Commissioners should let him know if they wished to fill out a paper Statement of Economic Interest form as opposed to the online form.

Chairman Novosad then asked whether any Commissioner had any additional "Other Business" to discuss before the Commission. Hearing none, Chairman Novosad asked for a Motion to adjourn. It was moved by Mr. Schultz and seconded by Mr. Fruin to adjourn and the Motion was unanimously approved by voice vote. The Regular Meeting was adjourned at 4:22 p.m.

The next meeting of the Commission will be Tuesday, April 2, 2019, at 3:30 p.m.

APPROVED:

April 2, 2019



JOHN L. MOREL,
Secretary, Public Building Commission

