

MINUTES OF THE REGULAR MEETING

OF THE

PUBLIC BUILDING COMMISSION OF McLEAN COUNTY, ILLINOIS

Tuesday, October 4, 2016, 3:30 p.m. CDT

The Regular Meeting of the Public Building Commission of McLean County, Illinois (the "Commission") was called to order by Chairman Novosad on October 4, 2016 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. Novosad, Zeunik, Morel, Zimmerman (arrived at 3:45 p.m.), Funk, Harris, and Farnsworth. Chairman Novosad noted the presence of a quorum. Messrs. Good and Schultz 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; McLean County Sheriff Jon Sandage; McLean County Chief Sheriff's Deputy Greg Allen; and Project Manager John Bishop of the Farnsworth Group, Inc.

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

Chairman Novosad presented the Minutes of the September 6, 2016 Regular Meeting of the Commission for approval. Chairman Novosad asked if there were any corrections, 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. Zeunik and seconded by Mr. Farnsworth that the Minutes of the September 6, 2016 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 presented the Minutes of the April 7, 2015 Executive Session Meeting for review by the Commission pursuant to 5 ILCS 120/2.06(d). Chairman Novosad noted that the circumstances necessitating the Executive Session on April 7, 2015 had not changed, but that Commissioners could discuss the matter further in Executive Session should they wish. Hearing no Motion for an Executive Session, Chairman Novosad asked for a Motion that the Minutes of the Commission's April 7, 2015 Executive Session remain sealed until further review in accordance with 5 ILCS 120/2.06(d). It was moved by Mr. Zeunik and

seconded by Mr. Harris that the Minutes of the April 7, 2015 Executive Session remain sealed until further review in accordance with 5 ILCS 120/2.06(d) and the Motion was unanimously approved by voice vote.

Chairman Novosad then asked Commission Treasurer James Mulligan to present the Treasurer's Report for the fiscal year. Mr. Mulligan initially noted that he had yet to receive the most current account statements for all of the Commission's depositories. Mr. Mulligan did indicate, however, that he had received a September statement for the Commission's account at J.P. Morgan Chase Bank and that this information was reflected on the Treasurer's Report.

Mr. Mulligan further stated that the Commission had received the second installment of the County and City of Bloomington's respective lease payments. Mr. Mulligan noted that a portion of the disbursements that that the Commission was being asked to approve on page fourteen (14) of the Treasurer's Report included transferring these lease payments into the appropriate accounts as Mr. Mulligan had initially deposited all of the lease payments in the Commission's account at J.P. Morgan Chase Bank. In a similar vein, Mr. Mulligan stated that \$600,000.00 needed to be transferred from the Commission's Heartland Bank & Trust Company "Law & Justice Center Debt Service Account" into the Commission's account at J.P. Morgan Chase Bank. Mr. Mulligan noted that the Commission had initially paid the Capital Improvement Loan to McLean County – which the Commission had authorized to be paid from its Heartland Bank & Trust Company "Law & Justice Center Debt Service Account" – from the account at J.P. Morgan Chase Bank and that the accounts needed to be rectified.

Mr. Farnsworth noted that the Commission now owned all of the facilities that the County once had fee simple title to and asked Mr. Mulligan whether the Commission was taking depreciation on those facilities. Mr. Mulligan responded by indicating that the Commission's auditors had advised against taking depreciation.

Mr. Mulligan lastly noted that the Commission would need to make Bond payments by November 1st and December 1st.

Chairman Novosad then asked if there were any additional questions 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. Funk and seconded by Mr. Harris 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.

Chairman Novosad then turned to a discussion of the Commission's "Old Business" and asked Attorney Robert Porter to address the investment of the Commission's Heartland Bank & Trust Company "Law & Justice Center Debt Service Account." Mr. Porter initially indicated that

the Commission was solely considering investing funds left unencumbered after the Law & Justice Center Bonds were paid off in November 2015. Mr. Porter noted that these funds are on deposit at Heartland Bank & Trust Company and identified as account number 4230 on the Treasurer's Report.

Mr. Porter reminded the Commission that it currently holds approximately \$42,685,629.50 of the Series 2015 Public Building Revenue Bond Issue's "Project Fund" in six (6)-month, twelve (12)-month, and eighteen (18)-month internal CDs at Bloomington-Normal Community Bank. Mr. Porter indicated that \$20,080,378.10 of these funds are in CDs that will mature next January. Mr. Porter stated that it would make the most sense to leave these funds in place as construction will begin in earnest on the Law & Justice Center Expansion Project next year and funds will need to be on hand to meet construction costs. Mr. Porter indicated that he would not advise placing these funds in a taxable municipal bond in light of the administrative challenges outlined in his letter to the Commission of September 26th as well as liquidity and market risk concerns.

Mr. Porter next reminded the Commission that it maintained approximately \$2,100,000.00 in a Heartland Bank & Trust Company "Money Market Fund" that contains Treasuries and is associated with the Government Center Bonds. Mr. Porter noted that the foregoing sum must remain invested in Treasuries until the Government Center Bonds are paid off at the end of 2021.

Mr. Porter stated it would nonetheless behoove the Commission to achieve a better yield on the funds in account number 4230 as the Commission is operating in a tight budgetary climate. Mr. Porter indicated that he had previously provided the Commission with proposals from Heartland Bank & Trust Company, Busey Bank, and Bloomington-Normal Community Bank. Mr. Porter noted that the proposals were all offering similar yields and asked Mr. Mulligan whether he had anything to add.

Mr. Mulligan noted that Bloomington-Normal Community Bank's proposal offered a slightly superior yield than the proposals put forth by Heartland Bank & Trust Company and Busey Bank. Mr. Mulligan noted that the superior yield was attributable to the fact that the Bloomington-Normal Community Bank proposal did not include a management fee. Mr. Mulligan did indicate that Bloomington-Normal Community Bank would assess an early withdrawal penalty. However, Mr. Mulligan felt that Bloomington-Normal Community Bank would nevertheless work with the Commission in the event of an emergency.

Mr. Farnsworth noted that Bloomington-Normal Community Bank's proposal did not include language indicating that it would waive its early withdrawal fees.

Mr. Funk then inquired as to whether the proposals provided for collateralization. Mr. Porter indicated in response that Heartland Bank & Trust Company and Busey Bank were proposing to invest the Commission's funds in brokered CDs at or below the FDIC limits. Mr. Porter further noted that Bloomington-Normal Community Bank was proposing to increase the amount of the Letter of Credit that it delivered to the Commission in January 2016. Mr. Funk asked Mr. Porter whether the Letter of Credit had ever been audited and whether Mr. Porter was confident that the Letter of Credit was actually in place. Mr. Porter responded in the affirmative to both questions.

Chairman Novosad then asked Mr. Mulligan how he would recommend investing the funds at Bloomington-Normal Community Bank and Mr. Mulligan advised placing all but \$200,000.00 of the Heartland Bank & Trust Company "Law & Justice Center Debt Service" account into a one (1)-year internal CD at Bloomington-Normal Community Bank.

Chairman Novosad then asked if there were any additional questions or comments concerning the investment of the Commission's Heartland Bank & Trust Company "Law & Justice Center Debt Service Account." Hearing none, Chairman Novosad asked for a Motion to invest \$1,670,138.83 of the Commission's Heartland Bank & Trust Company "Law & Justice Center Debt Service Account" into a one (1)-year internal CD at Bloomington-Normal Community Bank and \$200,000.00 of the Commission's Heartland Bank & Trust Company "Law & Justice Center Debt Service Account" into a commercial checking account at Bloomington-Normal Community Bank. It was moved by Mr. Farnsworth and seconded by Mr. Harris to invest \$1,670,138.83 of the Commission's Heartland Bank & Trust Company "Law & Justice Center Debt Service Account" into a one (1)-year internal CD at Bloomington-Normal Community Bank and \$200,000.00 of the Commission's Heartland Bank & Trust Company "Law & Justice Center Debt Service Account" into a commercial checking account at Bloomington-Normal Community Bank. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad then asked Mr. Porter to discuss the ratification of the submission of the Petition for Vacation of Main Street (from Front Street to Olive Street), Petition for Floor Area Variance, and Petition for Side Yard Setback Variance to the City of Bloomington. Mr. Porter reminded the Commission that it had previously authorized Chairman Novosad to submit the Petition for the Vacation of the Main Street Right-of-Way as well as the Petitions for Variances to the Bloomington City Council and/or Zoning Board of Appeals. Mr. Porter noted that this vote occurred at the August 9, 2016 rescheduled meeting. Mr. Porter noted that the Farnsworth Group, Inc. provided him with the Petition for Vacation of Right-of-Way, Petition for Floor Area Variance, and Petition for Side Yard Setback Variance on September 12th and informed him that the Petitions needed to be submitted on that date. Mr. Porter noted that Chairman Novosad was undergoing hip surgery on September 12th and that Vice Chairman

Zeunik signed the Petitions in Chairman Novosad's absence. Mr. Porter indicated that the Commission would ultimately need to vote to ratify Vice Chairman Zeunik's submission of the Petition for Vacation of Main Street, Petition for Floor Area Variance, and Petition for Side Yard Set Back Variance to the City of Bloomington.

Chairman Novosad then asked if there were any additional questions or comments concerning the ratification of the submission of the Petition for Vacation of Main Street (from Front Street to Olive Street), Petition for Floor Area Variance, and Petition for Side Yard Setback Variance to the City of Bloomington. Hearing none, Chairman Novosad asked for a Motion ratifying Vice Chairman Zeunik's submission of the Petition for Vacation of Main Street (from Front Street to Olive Street), Petition for Floor Area Variance, and Petition for Side Yard Setback Variance to the City of Bloomington. It was moved by Mr. Harris and seconded by Mr. Funk to ratify Vice Chairman Zeunik's submission of the Petition for Vacation of Main Street (from Front Street to Olive Street), Petition for Floor Area Variance, and Petition for Side Yard Setback Variance to the City of Bloomington and the Motion was unanimously approved by voice vote.

Chairman Novosad then 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 initially noted that Requests for Proposals for the work had been published and that a mandatory tour for potential bidders would occur on Friday, October 7th. Mr. Moody noted that the bid opening would occur on Monday, October 17th, and that he was aware of eight (8) potential bidders.

Chairman Novosad asked Mr. Moody whether he could provide the Commission with a cost estimate of the roof replacement work. Mr. Moody indicated that he was hopeful that the bids would come back in under budget.

Chairman Novosad next turned to the Commission's "New Business" and asked Mr. Moody and Assistant County Administrator Hannah Eisner to discuss the McLean County Law & Justice Center Expansion Project, the McLean County Law & Justice Center Expansion Project's exterior design, and the Farnsworth Group, Inc.'s September invoice.

Mr. Moody noted that several meetings between County personnel and the Farnsworth Group, Inc. had occurred since the Commission's last meeting. Mr. Moody stated that a meeting regarding data and communications had occurred just prior to the Commission's meeting.

Project Manager John Bishop of the Farnsworth Group, Inc. then noted that the Project's design development pricing package had been sent out to cost estimators. Mr. Bishop next indicated that a detail page turn of the Project's design development set is currently underway

and that an Illinois Department of Correction's onsite inspector had conducted a preliminary review of the design development set. Mr. Bishop indicated that he is continuing to await a response from the State Capital Plans and Standards Unit regarding further inspections of the design development and site.

Mr. Bishop then showed the Commission a new exterior design scheme for the proposed expansion to the Law & Justice Center. Mr. Bishop indicated that the new scheme was the result of strong feedback that the Farnsworth Group, Inc. and HOK had received from the County.

Chairman Novosad asked Mr. Bishop whether all stakeholders had approved the new scheme and Mr. Bishop responded in the affirmative.

In describing the new scheme, Mr. Bishop noted that the overall number of fins had been reduced. Mr. Bishop noted that the new design was intended to make the building appear more "horizontal."

Mr. Farnsworth asked Mr. Bishop whether the lettering on the exterior would be illuminated and Mr. Bishop noted that any such illumination remained to be determined.

Mr. Bishop next noted that the base of the Expansion would be similar to the existing Law & Justice Center and that there would be an opaque wall behind the exterior fins. Mr. Bishop noted that the Expansion would be fifteen (15) feet shorter than the existing Law & Justice Center.

Chairman Novosad then asked about the materials on the penthouse and Mr. Bishop said the penthouse would be metal. Chairman Novosad then asked whether the visible glass on the exterior scheme would be bulletproof. Mr. Bishop indicated that the glass was a translucent glaze that would not be bulletproof as it was outside the secure perimeter.

Mr. Funk asked whether the Expansion would allow for the construction of additional levels and Mr. Bishop indicated that it would not. Chairman Novosad then inquired as to where future growth would occur. Assistant County Administrator Hannah Eisner responded by noting that the Expansion is being designed to be grown into and will include two (2) additional pods that could be fitted out if necessary.

Mr. Zeunik noted that the 1989-90 expansion of the Jail was structurally designed to build additional pods on top of the existing Jail pods. However, Ms. Eisner noted that expanding on the 1989-90 Jail did not present itself as a cost-effective option when the County was initially considering the current Project. Mr. Bishop also noted that such an approach ran the risk of not being compliant with code without considerable retrograde.

Mr. Farnsworth then asked McLean County Sheriff Jon Sandage whether the County would experience pressure to house other County's inmates once the Expansion is completed. Sheriff Sandage responded by indicating that his plan was to use the Expansion to exclusively house McLean County inmates. Mr. Porter also noted that the County would be unable to accept other jurisdiction's inmates in exchange for payment as such private activity would likely force the Commission to redeem the Series 2015 Public Building Revenue Bond Issue.

Chairman Novosad again inquired as to whether all of the stakeholders had approved the Law & Justice Center Expansion Project's exterior design. Mr. Moody responded that the County Board's Property Committee would meet to approve the design on Thursday, October 6th. Ms. Eisner noted that the design had been shared with the Bloomington City Manager and City Planner. Ms. Eisner further indicated that the full County Board would not be voting on the exterior design.

Chairman Novosad then asked whether there were any additional questions or comments regarding the exterior design of the Law & Justice Center Expansion Project. Hearing none, Chairman Novosad asked for a Motion to approve the exterior design of the Law & Justice Center Expansion Project, as presented, subject to approval by the County Board's Property Committee. It was moved by Mr. Zimmerman and seconded by Mr. Funk to approve the exterior design of the Law & Justice Center Expansion Project, as presented, subject to approval by the County Board's Property Committee and the Motion was unanimously approved by voice vote.

Chairman Novosad next asked Mr. Porter to address approving the Publication of a Request for Proposals ("RFP") for the winter site preparation work for the Law & Justice Center Expansion Project. Mr. Porter noted that he wrote to the Commission concerning the winter site preparation work on September 22nd. Mr. Porter indicated that this work consisted of the demolition of the existing surface parking lot located to the southeast of the Law & Justice Center, the relocation of the existing water main along East Street, the relocation of the County and City's existing fiber optic lines, and the replacement of forty-five (45) linear feet of storm sewer. Mr. Porter noted that he had received draft bid documents and contracts from Mr. Bishop and that he was in the process of going through the same. Mr. Porter noted that the Commission was being asked to approve publication of an RFP for the winter site preparation work and could go about doing so in one (1) of three (3) ways: 1) the Commission could wait to approve the actual terms of an RFP for publication once it had been drafted; 2) the Commission could retroactively approve the publication of an RFP at the November 1st meeting; or 3) the Commission could authorize Mr. Porter to prepare an RFP for the winter site preparation work and cause said RFP to be published.

Mr. Farnsworth asked whether there was any reason to delay publication of an RFP and

Mr. Porter indicated that there was not.

Chairman Novosad then asked whether there were any additional questions or comments regarding the publication of an RFP for the winter site preparation work for the Law & Justice Center Expansion Project. Hearing none, Chairman Novosad asked for a Motion to approve the publication of an RFP for the winter site preparation work for the Law & Justice Center Expansion Project subject to the review and approval of Mr. Porter. It was moved by Mr. Funk and seconded by Mr. Harris to approve the publication of an RFP for the winter site preparation work for the Law & Justice Center Expansion Project subject to the review and approval of Mr. Porter and the Motion was unanimously approved by voice vote.

Chairman Novosad then noted that the Commission had been presented with an invoice from the Farnsworth Group, Inc. in the amount of \$237,745.36. This amount represents the fee incurred by the Farnsworth Group, Inc./HOK during the month of September.

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 the first (1st) half of the design development phase.

Chairman Novosad then asked if there were any questions or comments regarding the Farnsworth Group, Inc.'s September invoice. Hearing none, Chairman Novosad asked for a Motion to approve payment to the Farnsworth Group, Inc. in the amount of \$237,745.36 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 September 2016. It was moved by Mr. Zeunik and seconded by Mr. Zimmerman to approve payment to the Farnsworth Group, Inc. in the amount of \$237,745.36 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 September 2016. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad lastly asked Mr. Porter to address the approval of a contract with Ideal Environmental Engineering, Inc. for environmental testing at the Law & Justice Center. Mr. Porter noted that the Farnsworth Group, Inc. had identified the need to test for the presence of asbestos in the areas of the Law & Justice Center set to be demolished as a part of the Law & Justice Center Expansion Project. Mr. Porter stated that this work had been necessitated due to a misunderstanding about the scope of asbestos certificates for the Law & Justice Center.

Mr. Porter noted that the Farnsworth Group, Inc. had obtained a proposal from Ideal Environmental Engineering, Inc. for a contract between the Commission and Ideal Environmental Engineering, Inc. for asbestos inspection. Mr. Porter noted that the proposal contained a base inspection fee of \$1,695.00 plus \$20.00 per sample and \$75.00 per additional

testing on those samples testing above one percent (1%) content on the preliminary test. Mr. Porter noted that the Farnsworth Group, Inc. did not anticipate costs exceeding \$8,000.00. Mr. Porter indicated that he had reviewed Ideal Environmental Engineering, Inc.'s proposed contract and was satisfied with the same. Mr. Porter specifically stated that the agreement contained a mutual indemnification clause that protected each party from the other party's negligence. Mr. Porter noted that Section 20 of the *Illinois Public Building Commission Act* allowed the Commission to contract for work costing less than \$20,000.00 without having to place the work out for bid. Mr. Porter thus advised the Commission that it could vote to enter into a contract with Ideal Environmental Engineering, Inc. for an amount not exceeding \$8,000.00 to be paid from the Series 2015 Public Building Revenue Bond Issue's "Project Fund."

Chairman Novosad asked Mr. Bishop about the likelihood of discovering asbestos and Mr. Bishop indicated that if asbestos were found it would most likely be in the mastics and sealants used at the facility.

Mr. Harris then asked whether the Law & Justice Center contained any sprayed-on fire proofing and Mr. Bishop indicated that the Law & Justice Center did not contain much sprayed-on fire proofing. Mr. Bishop also indicated that the facility contained no drywall, but indicated that asbestos could be found in the pipe insulation.

Chairman Novosad then asked whether there were any additional questions or comments concerning the contract with Ideal Environmental Engineering, Inc. Hearing none, Chairman Novosad asked for Motion to approve a contract with Ideal Environmental Engineering, Inc. for environmental testing at the Law & Justice Center at a not-to-exceed amount of \$8,000.00. It was moved by Mr. Farnsworth and seconded by Mr. Zimmerman to approve a contract with Ideal Environmental Engineering, Inc. for environmental testing at the Law & Justice Center at a not-to-exceed amount of \$8,000.00. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad then asked whether any of the Commissioners had any additional questions or comments. Hearing none, Chairman Novosad asked for a Motion to adjourn sine die to reconvene and reorganize. It was moved by Mr. Harris and seconded by Mr. Zeunik that the meeting adjourn sine die so that the Commission could reconvene and reorganize and the Motion was unanimously approved by voice vote. The meeting was adjourned at 4:27 p.m. The next regular meeting of the Commission will be Tuesday, November 1, 2016, at 3:30 p.m.

APPROVED:

November 1, 2016


JOHN L. MOREL,
Secretary, Public Building Commission