

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

Tuesday, April 5, 2022, at 3:30 p.m.

The Public Building Commission of McLean County, Illinois (the "Commission") was called to order by Chairman Novosad on April 5, 2022 in Room 404 of the Government Center, 115 East Washington Street, Bloomington, McLean County, Illinois.

The meeting was conducted pursuant to Section 7(e) of the *Illinois Open Meetings Act* ("Attendance by means other than physical presence"). 5 ILCS 120/7(e). Accordingly, the following findings were made at the outset of the meeting: 1) On or about April 1, 2022, Governor J.B. Pritzker issued a thirty (30)-day disaster declaration for the State of Illinois; 2) A fully in-person meeting of the Commission was impracticable due to the continued Covid-19 pandemic; 3) All members of the Commission attending virtually could hear and communicate with members of the Commission attending in-person; 4) Members of the public were able to attend the meeting in-person; 5) Six (6) members of the Commission were present at the physical meeting site; 6) All votes of the Commission would be conducted by roll-call; 7) The continued Covid-19 pandemic constituted a bona fide emergency; and 8) A verbatim record of the meeting was being kept by way of audio recording.

Acting Secretary Robert Porter called the roll with the following members answering "present": Novosad, Zimmerman, Farnsworth, Schultz, Harris, Reid (attending virtually), Fruin, and Fazzini (attending virtually).

Also present were Commission Attorney Robert Porter, Commission Treasurer James Mulligan, County Administrator Cassy Taylor, Assistant County Administrator Tony Grant, Renee Brucker of MCK CPAs & Advisors, and Bloomington City Attorney Jeff Jurgens.

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

Chairman Novosad began the meeting by asking County Administrator Cassy Taylor to introduce newly-hired Assistant County Administrator Tony Grant. Ms. Taylor thereafter introduced Mr. Grant. Ms. Taylor specifically noted that Mr. Grant had been with the County for just several weeks. Ms. Taylor indicated that Mr. Grant previously worked as a consultant for municipal governments in southern Illinois. Ms. Taylor added that Mr. Grant had extensive experience working in public projects. Mr. Grant then stated that he looked forward to working with the Commission.

Chairman Novosad next presented the Minutes of the January 4, 2022 Rescheduled Quarterly 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 Rescheduled Quarterly Meeting Minutes. It was moved by Mr. Harris and seconded by Mr. Schultz that the Minutes of the January 4, 2022 Rescheduled Quarterly Meeting be approved as submitted. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad next called on Commission Treasurer James Mulligan to present the Treasurer's Report for the Fiscal Year. Mr. Mulligan began his Report by noting that the Treasurer's Report featured up-to-date interest earnings on most of the Commission's bank accounts. Mr. Mulligan specifically noted that he had not yet received up-to-date interest earnings for the Commission's accounts at Heartland Bank & Trust Co. and PNC.

Mr. Mulligan then noted that the Treasurer's Report reflected the investment of the Series 2022 Public Building Revenue Bond Issue. Mr. Mulligan specifically reminded the Commission that he had placed the approximately eight million five hundred thousand dollars and 00/100 (\$8,500,000.00) in Bond Proceeds in a fund managed by PMA Securities, LLC. Of this amount, Mr. Mulligan noted that approximately one million dollars and 00/100 (\$1,000,000.00) were in a liquid fund. Mr. Mulligan then indicated that the remaining funds were invested by PMA Securities, LLC. in U.S. Treasuries. Mr. Mulligan noted that the Commission would yield 1.325% on the invested funds.

Chairman Novosad inquired whether the Commission could lose money on its investment with PMA Securities, LLC. Mr. Mulligan responded by noting that the Commission could only lose money if it sold its U.S. Treasury holdings prior to maturity.

Mr. Mulligan further relayed that the Commission would be making an interest payment on its Series 2015 Public Building Revenue Bond Issue on June 1, 2022. Mr. Mulligan similarly noted that the Commission would be making an interest and principal payment on its new Series 2022 Public Building Revenue Bond Issue on December 1, 2022.

Mr. Mulligan next noted that the Commission's disbursements were featured on page sixteen (16) of the Treasurer's Report.

Mr. Farnsworth asked Mr. Mulligan about the Bond fees noted on the Treasurer's Report. In response, Mr. Mulligan indicated that this figure constituted the fee paid to PMA Securities, LLC., Chapman & Cutler, LLP., Moody's Investor's Services, and Heartland Bank & Trust Co. for their work on the Series 2022 Public Building Revenue Bond Issue.

Chairman Novosad 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. It was moved by Mr. Zimmerman and seconded by Mr. Farnsworth to approve the Treasurer's Report and proposed payments as submitted. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad thereafter welcomed Renee Brucker of MCK CPAs & Advisors and asked her to present the Commission's Fiscal Year 2021 Audit Report.

Ms. Brucker initially expressed her appreciation for the opportunity to work with the Commission. Ms. Brucker then addressed the Independent Auditor's Report featured on pages one (1) and two (2) of the Audit. Ms. Brucker noted that this Section of the Audit indicated that MCK CPAs & Advisors were able to offer a "clean and unmodified opinion" as to the Commission's finances. Ms. Brucker indicated that this was the highest opinion that an entity under audit can receive.

Ms. Brucker noted that pages three (3) through five (5) of the Audit provided a summary of the year from the perspective of management.

Ms. Brucker next highlighted page six (6) of the Audit, which contained the Commission's "Statement of Net Position." Ms. Brucker indicated that the Commission's cash and cash equivalents were delineated at the top of the page. Ms. Brucker then relayed that the Statement of Net Position showed an approximately three million seven hundred thousand dollar and 00/100 (\$3,700,000.00) decrease in assets from Fiscal Year 2020. Ms. Brucker explained that this decrease was solely due to the fact that the County did not make all of its calendar year 2021 lease payments before the conclusion of the Commission's 2021 Fiscal Year. Ms. Brucker next noted that the Commission's lease receivable and notes receivable stood at approximately thirty-nine million dollars and 00/100 (\$39,000,000.00) and one million four hundred thousand dollars and 00/100 (\$1,400,000.00), respectively.

Ms. Brucker noted that the Commission's "Statement of Revenue, Expenses, and Changes in Net Position" was included on page seven (7) of the Audit. Ms. Brucker then relayed that the Commission had approximately two million one hundred thousand dollars and 00/100 (\$2,100,000.00) in rental income and approximately three million eight hundred thousand dollars and 00/100 (\$3,800,000.00) in reserves.

Ms. Brucker indicated that the Commission's "Statement of Cash Flows" was contained on page eight (8) of the Audit. Ms. Brucker then relayed that the Statement of Cash Flows also showed the approximately three million seven hundred thousand dollar and 00/100 (\$3,700,000.00) decrease in assets from Fiscal Year 2020. Ms. Brucker again explained that this decrease was solely due to the fact that the County did not make all of its calendar year 2021 lease payments before the conclusion of the Commission's 2021 Fiscal Year.

Ms. Brucker added that the Audit's "Notes" began on page nine (9). Ms. Brucker noted that Note One (1) outlined the Commission's accounting policies, Note Two (2) outlined the Commission's policy on its deposits, Note Three (3) discussed the Commission's notes receivable, Note Four (4) contained information on the Bonds, Note Five (5) discussed the Lease, and Note Seven (7) provided information on the Series 2022 Public Building Revenue Bond Issue.

Chairman Novosad asked Ms. Brucker whether the Commission was ultimately in good standing. Ms. Brucker responded in the affirmative.

Mr. Farnsworth then suggested that future Audit Reports contain a note explaining any timing of payment issues between the County and Commission.

Mr. Porter added that the Commission's Fiscal Year 2021 Audit Report had been placed on file with the County Clerk's Office. Mr. Porter next relayed that a Notice of the Audit Report's public availability would run in *The Pantagraph*. Mr. Porter noted that this Notice would enable the Commission to satisfy its obligations under the *Illinois Public Funds Statement Publication Act*. Mr. Porter next noted that a copy of the Commission's Audit Report had been furnished to McLean County, the City of Bloomington, the Bloomington-Normal Airport Authority, the Bloomington-Normal Water Reclamation District, and the District 87 School Board in accordance with Section Ten (10) of the *Illinois Public Building Commission Act*. Mr. Porter lastly noted that the Fiscal Year 2021 Audit would soon be published on the Commission's website.

Chairman Novosad asked if there were any additional questions or comments for Ms. Brucker on the Fiscal Year 2021 Audit Report. Hearing none, Chairman Novosad asked for a Motion to approve the Fiscal Year 2021 Audit Report. It was moved by Mr. Fruin and seconded by Mr. Harris to approve the Fiscal Year 2021 Audit Report. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad next asked Mr. Mulligan to address the Commission's Fiscal Year 2021 Annual Financial Report. Mr. Mulligan initially noted that the information contained on the Annual Financial Report mirrored the information contained in the Audit Report. Mr. Mulligan then noted that the Commission's Annual Financial Report had to be submitted to the Comptroller's Office and the Commission would need to ratify submission of the Report.

Chairman Novosad asked if there were any additional questions or comments for Mr. Mulligan on the Fiscal Year 2021 Annual Financial Report. Hearing none, Chairman Novosad asked for a Motion to ratify submission of the Fiscal Year 2021 Audit Report to the Illinois State Comptroller's Office. It was moved by Mr. Farnsworth and seconded by Mr. Harris to ratify submission of the Fiscal Year 2021 Annual Financial Report to the Illinois State Comptroller's Office. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Turning to the Commission's "Old Business," Chairman Novosad asked County Administrator Cassy Taylor to discuss possible future uses of the Fairview Building. In response, Ms. Taylor initially noted that the Fairview Building had recently been designated a historic site. Ms. Taylor indicated that this designation would assist the local Laborers' International Union of North America ("LIUNA") in securing grants to convert the Fairview Building into senior housing.

Chairman Novosad then asked whether LIUNA would receive legal title to the Fairview Building. Ms. Taylor responded by noting that LIUNA and the County were considering several lease options for the Fairview Building.

Chairman Novosad next inquired whether the Fairview Building had been tested for asbestos. In response, Ms. Taylor indicated that LIUNA had contracted to have asbestos testing performed at the site. Mr. Zimmerman indicated that he thought the site had previously been tested for asbestos. Mr. Porter replied that the site was tested in 2014 when the County was contemplating constructing a Federally Qualified Health Center ("FQHC") on the Fairview Campus. Mr. Porter noted that the sheer amount of asbestos in the Fairview Building dissuaded the County at the time from demolishing the Fairview Building.

Chairman Novosad then asked if there were any additional questions or comments for Ms. Taylor regarding the Fairview Building. Hearing none, Chairman Novosad turned to the Commission's "New Business" and asked Mr. Porter and Assistant County Administrator Tony Grant to discuss the Elevator and Animal Control Shelter Projects.

Mr. Porter initially reminded the Commission that a Request for Proposals ("RFP") for the Elevator Project was published on March 28th. Mr. Porter then noted that a notice of the availability of the RFP appeared in *The Pantagraph*. Mr. Porter added that the County also provided copies of the RFP directly to major elevator repair contractors including Kone, Thyssen Krupp, and Otis Elevator & Escalator. Mr. Porter further indicated that the County circulated the RFP across a number of

online bid platforms.

Mr. Porter also indicated that the RFP delineated the critical milestone dates for the Elevator Project. Mr. Porter noted that a pre-bid meeting would take place on April 27th at 9:00 a.m. and that proposals would be submitted on May 6th at 3:00 p.m. Mr. Porter relayed that the work was projected to begin on or about June 1, 2022.

Mr. Grant expressed his belief that the pre-bid meeting would afford bidders an opportunity to gather more information about the scope of the Elevator Project.

Mr. Zimmerman asked whether the elevators would be replaced one (1) at a time. Mr. Grant responded by indicating that the elevators would be replaced in sets.

Chairman Novosad then inquired why the County was not having all twenty-six (26) of its elevators repaired or replaced. Ms. Taylor responded by noting that County Director of Facilities Management Tim Daugherty only identified thirteen (13) elevators for repair and/or replacement.

Chairman Novosad then raised concern about the absence of a lack of detailed specifications in the RFP. Chairman Novosad added that he and Mr. Grant previously talked through this concern. Chairman Novosad stated his belief that the pre-bid meeting would be critical in ensuring that the Commission receives well-informed bids.

Mr. Farnsworth then inquired whether the elevators were maintained by contractors. Mr. Grant replied by indicating that the County anticipated entering into a service contract with the elevator contractor that wins the bid.

Turning to the Animal Control Shelter Project, Mr. Porter noted that he and Mr. Grant would begin preparing a Request for Qualifications ("RFQ") to use in selecting an architect. Mr. Porter stated his desire that the RFQ be published around the time that the contract for the Elevator Project is awarded. Mr. Porter reminded the Commission that an architect would prove crucial in studying the site and making recommendations as to the proper location for the new Animal Control Shelter.

Chairman Novosad then asked if there were any additional questions or comments for Messrs. Porter or Grant concerning either the Elevator Project or Animal Control Shelter Project. Hearing none, Chairman Novosad turned to the Commission's "Other Business" and asked Mr. Porter to discuss the prospect of a May Special Meeting. Mr. Porter noted that the Commission would need to meet in May to approve a contract with the elevator contractor that submits the lowest responsible bid. Mr. Porter indicated that he would provide the Commission with additional information in the near future.

Mr. Porter also reminded the Commission that he and Chairman Novosad were still contemplating the most appropriate manner in which to honor Jack Morel's service to the Commission. Mr. Porter specifically noted that Mr. Morel's wife, Malba Morel, was not yet ready to

accept recognition on Jack Morel's behalf.

There being no "Other Business," Chairman Novosad asked for a Motion to adjourn. It was moved by Mr. Harris and seconded by Mr. Zimmerman that the meeting be adjourned. Upon a roll call vote, all Commissioners voted in favor of the Motion. The meeting was adjourned at 5:00 p.m.

The next meeting of the Commission will be Tuesday, July 5, 2022 at 3:30 p.m.

July 5, 2022

George A. Farnsworth / twy
George A. Farnsworth,
Secretary, Public Building Commission

