

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

Tuesday, May 3, 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 May 3, 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, Harris, Farnsworth, Schultz, and Good. Chairman Novosad noted the presence of a quorum. Mr. Funk was absent.

Also present were Commission Attorney Robert Porter; Commission Treasurer James Mulligan; Mr. Jack Moody, McLean County Director of Facilities Management; and Mr. John Bishop, Project Manager, the Farnsworth Group, Inc.

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

Chairman Novosad presented the Minutes of the April 5, 2016 Regular Meeting of the Commission for approval. Chairman Novosad asked if there were any corrections, additions, and 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. Schultz that the Minutes of the April 5, 2016 Regular Meeting of the Commission 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 then asked Commission Treasurer James Mulligan to present the Treasurer's Report for the fiscal year. Mr. Mulligan first noted that the transaction history on the Treasurer's Report was substantially similar to that of the April 5, 2016 Treasurer's Report. With respect to the Report's balance sheet, Mr. Mulligan nevertheless stated that the Commission's accounts at Heartland Bank & Trust Co. had been updated to reflect their status as "unrestricted" accounts.

Mr. Mulligan stated that the Commission had recently received an April invoice from the Farnsworth Group, Inc. for their work on the Jail Expansion Project, which would be paid out once the Commission approved the same. Mr. Mulligan also recounted that the Commission previously approved reimbursing McLean County for the costs associated with the Dewberry Architects, Inc./Mark Goldman Comprehensive Needs Assessment of the McLean County Jail as well as the Farnsworth Group, Inc.'s Peer Review of said Needs Assessment. Toward this end, Mr. Mulligan noted that he would be processing a reimbursement check to McLean County in the near future.

With respect to the Commission's Fiscal Year 2015 Audit, Mr. Mulligan stated that Sulaski & Webb, CPAs had recently provided "Draft" copies of the Audit to him as well as Commission Attorney Robert Porter. Mr. Mulligan indicated that he and Mr. Porter would be reviewing the "Draft" Audit, but that he would also like for several Commissioners to review the document and provide him with their feedback.

Mr. Porter noted that Mr. Funk had previously indicated that he would be willing to review the "Draft" Audit.

Chairman Novosad and Mr. Good then volunteered to review the "Draft" Audit.

Mr. Mulligan next noted that the Commission would be filing its Annual Financial Report with the Illinois State Comptroller's Office on or before the May 27th deadline. Mr. Mulligan then asked Mr. Porter to address the Commission's use of the "Draft" Audit in meeting its Continuing Disclosure Undertaking requirement.

Mr. Porter noted that the statement pages contained in the "Draft" Audit were uploaded to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access site on the afternoon of April 27th in order to comply with the Commission's Continuing Disclosure Undertaking requirement contained in both the 2013 and 2015 Bond Resolutions. Mr. Porter noted that the Commission is able to disclose unaudited financial statements in the event that an audit has not been completed by the deadline, which, Mr. Porter noted, occurred this year as the Audit was delayed due to questions that both the County and Commission's auditors had over how to book the capital leases. Mr. Porter noted that the Commission's unaudited disclosure had been reviewed and approved by Chapman & Cutler, LLP, and that the Commission would simply upload its final Audit once it has been reviewed and approved by the Commission.

Mr. Mulligan then indicated that the Commission has yet to receive an operations and maintenance invoice from the County.

Mr. Porter stated that the County Administrator's Office had represented to him that the Commission would begin receiving invoices for operation and maintenance once the County Board approves the Contract for Operation and Maintenance between the Commission and the County. Mr. Porter noted that the County Administrator's Office had specifically indicated that passage of the Contract for Operation and Maintenance would provide the County Auditor's Office with specific direction to begin invoicing the Commission for operation and maintenance. Mr. Porter indicated that the County Board would consider the Contract for Operation and Maintenance at its May meeting.

Mr. Good then inquired as to whether the operation and maintenance invoices would be for one year or multiple years.

Mr. Mulligan stated that the operation and maintenance invoices would be for 2016 costs as the cost of operation and maintenance would be adjusted annually.

Mr. Mulligan lastly noted that he or Mr. Porter would be reaching out to First Midstate, Inc. to determine when the Commission can expect to be contacted by its paying agent for the Series 2015 Public Building Revenue Bond Issue, Heartland Bank & Trust Co., regarding the upcoming June interest payment.

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. Good and seconded by Mr. Zimmerman 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 next noted that the Commission had no "Old Business" to consider and thus proceeded to discuss the Commission's "New Business." Chairman Novosad specifically asked County Director of Facilities Management Jack Moody to present an overview of the architectural design, engineering services, and construction administration of the Jail Expansion Project.

Mr. Moody first noted that both the Farnsworth Group, Inc. and HOK have been meeting on a regular basis with County representatives to discuss design theory and scope for the Jail Expansion Project. Mr. Moody further indicated that much of the design discussion has focused on the mental health component of the Project. Mr. Moody also stated that the schematic design stage of the Jail Expansion Project is currently underway and that design submittals will be completed by early October. Mr. Moody indicated that approximately ninety percent (90%) of the design work would be completed by January, at which point the Project would be put out for bid. Mr. Moody further recounted that he had met with the plumbing contractors earlier in the day.

Mr. Farnsworth noted that the Jail Expansion Project has an aggressive timeframe and questioned why the schedule did not reflect the agency review process. Mr. Farnsworth further questioned whether the Project schedule was overly ambitious in light of the inherent unknowns of the agency review process.

Project Manager John Bishop stated that the agency review will occur prior to the bidding phase. Mr. Bishop further noted that HOK would be handling the agency review and has not balked at the Project schedule.

Mr. Moody added that Chief Deputy Sheriff Greg Allen had already spoken to the Illinois Department of Corrections regarding the Project.

Chairman Novosad then asked Mr. Bishop whether he had anything else to add as to the architectural design, engineering services, and construction administration of the Jail Expansion Project.

Mr. Bishop first noted that Mr. Moody had provided a fairly comprehensive overview of the Project to date. Mr. Bishop did note, however, that much of the County's program data are managed by ISU and that it took the Farnsworth Group, Inc. some time to gather that data. Mr.

Bishop next noted that a model of the existing Law and Justice Center is approximately ninety-five percent (95%) complete and that HOK will soon begin the interior remodeling design work. Mr. Bishop further noted that a substantial number of meetings between representatives of the Farnsworth Group, Inc., HOK, and the County have taken place.

Chairman Novosad then asked if there were any additional questions for Messrs. Moody or Bishop regarding the status of the architectural design, engineering services, and construction administration of the Jail Expansion Project. Hearing none, Chairman Novosad noted that the Commission had received an invoice from the Farnsworth Group, Inc. in the amount of \$56,645.60 for services rendered during the month of April 2016. Chairman Novosad then asked if there were any questions or concerns regarding the Farnsworth Group, Inc.'s April 2016 invoice. Hearing none, Chairman Novosad asked for a Motion to approve payment to the Farnsworth Group, Inc. in the amount of \$56,645.60 from the Series 2015 Public Building Revenue Bond Issue's "Project Fund" for services rendered on the Jail Expansion Project during the month of April 2016. It was moved by Mr. Harris and seconded by Mr. Zeunik to approve payment to the Farnsworth Group, Inc. in the amount of \$56,645.60 from the Series 2015 Public Building Revenue Bond Issue's "Project Fund" for services rendered on the Jail Expansion Project during the month of April 2016. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad next asked Mr. Porter to address the County's request for reimbursement from the Commission in the amount that the County expended on the Farnsworth Group, Inc.'s performance of a site review of the Fairview Campus.

Mr. Porter noted that the County was requesting that the Commission reimburse the County in the amount of \$95,095.96, which amount the County expended on the Farnsworth Group, Inc.'s site review of the Fairview Campus. Mr. Porter reminded the Commission that the County had contracted with the Farnsworth Group, Inc. for the design of the Federally Qualified Health Center in March 2015 and the County Board passed a resolution in May 2015 that sought reimbursement for these costs out of an eventual Commission revenue bond issue. Mr. Porter indicated that, although the Federally Qualified Health Center project did not come to fruition, the County would still like to be reimbursed for the cost of the site review from the Series 2015 Public Building Revenue Bond Issue's "Project Fund." Mr. Porter indicated that the 2015 Bond Resolution broadly defined "project" to include any acquisition, remodeling, and construction-related expenses on any property that the Commission has fee simple title to and, as such, the requested reimbursement to the County would be a legally permissible use of the funds.

Mr. Morel then asked whether the County had contracted for any additional studies that it would seek reimbursement for from the Commission. Mr. Porter replied that he was unaware of any additional studies or reimbursement requests.

Mr. Harris next inquired as to whether the Commission would have perfunctorily paid the reimbursement request had the Federally Qualified Health Center been a viable project. Mr. Porter responded by noting that, had the project been viable, the Commission would have included the cost of constructing the Federally Qualified Health Center in the Series 2015 Public Building Revenue Bond Issue and that said cost would have included the cost of the Fairview

Campus site review.

Mr. Zimmerman then asked whether the Commission currently owned the Fairview Campus and Mr. Porter responded in the affirmative.

Mr. Good next asked what the site review entailed.

Mr. Moody responded to Mr. Good by saying that the site review was a comprehensive survey of the Fairview Campus.

Mr. Farnsworth then described the site review as a comprehensive review of the Fairview Campus intended to gather information in anticipation of a building project, but that the site review was not akin to an ALTA survey.

Mr. Good then inquired as to how the Commission had determined to issue approximately \$45,000,000.00 in revenue bonds and what value was added by having the site review performed.

Mr. Porter stated that the revenue bond issue had been based on an estimated \$35,000,000.00 construction budget, an approximately \$5,000,000.00 architect fee, and contingencies costs. Mr. Porter indicated that the site review would prove to be worthwhile in the event that the County were ever to commence a future building project on the Fairview Campus.

Mr. Zimmerman next asked whether the funds from the Series 2015 Public Building Revenue Bond Issue could in fact be used for a future project, other than the Jail Expansion Project, if such a need arose. Mr. Porter responded by noting that it would be legally permissible to use the proceeds from the Series 2015 Public Building Revenue Bond Issue for projects other than the Jail Expansion Project, but that the Commission may not view such a possibility as a prudent use of those funds.

Mr. Farnsworth then asked about the status of a statewide imposition of tax caps.

Mr. Zeunik noted that the County has yet to be tax capped by the State, but that such a scenario remains a possibility.

Both Mr. Harris and Chairman Novosad then stated that the decision to reimburse the County in the amount of \$95,095.96 would most likely be inconsequential to the overall Jail Expansion Project.

Chairman Novosad then asked if there were additional questions regarding the County's request for reimbursement from the Series 2015 Public Building Revenue Bond Issue's "Project Fund" in the amount of \$95,095.96 for the Farnsworth Group, Inc.'s performance of a site review of the Fairview Campus. Hearing none, Chairman Novosad asked for a Motion to reimburse the County in the amount of \$95,095.96 from the Series 2015 Public Building Revenue Bond Issue's "Project Fund" for the Farnsworth Group, Inc.'s performance of a site review of the Fairview Campus. It was moved by Mr. Good and seconded by Mr. Farnsworth that the Commission reimburse the County in the amount of \$95,095.96 from the Series 2015

Public Building Revenue Bond Issue's "Project Fund" for the Farnsworth Group, Inc.'s performance of a site review of the Fairview Campus. Upon a roll call vote, all Commissioners voted in favor of the Motion save for Mr. Morel, who abstained from the voting.

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. It was moved by Mr. Farnsworth and seconded by Mr. Harris 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, June 7, 2016, at 3:30 p.m.

APPROVED:

June 7, 2016

William A. Zimmerman for
JOHN L. MOREL,
Secretary, Public Building Commission