

MINUTES OF THE MONTHLY MEETING

OF THE

PUBLIC BUILDING COMMISSION OF McLEAN COUNTY, ILLINOIS

Tuesday, September 4, 2018, at 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 September 4, 2018 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, Zimmerman, Morel, Farnsworth, Funk, Harris, Good, Schultz, and Reid.

Also present were Commission Attorney Robert Porter; Commission Treasurer James Mulligan; McLean County Director of Administrative Services Eric Schmitt; Mr. Jack Moody; Project Manager John Bishop of the Farnsworth Group, Inc.; and Project Manager Matt Brown of River City Construction, LLC.

Edith Brady-Lunny of *The Pantagraph* was present. No other members of the media, press, and/or radio were present.

Chairman Novosad began the meeting by presenting the Minutes of the August 7, 2018 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. Harris and seconded by Mr. Reid that the Minutes of the August 7, 2018 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 asked Commission Treasurer James Mulligan to present the Treasurer's Report for the fiscal year. Mr. Mulligan initially noted that the Commission had received updated account statements from all of its depositories prior to the meeting. As a result, Mr. Mulligan noted that the Treasurer's Report had been updated with the Commission's most recent interest earnings. Mr. Mulligan next stated that the Commission was in the process of purchasing U.S. Treasuries with approximately eight million dollars and 00/100 (\$8,000,000.00) of unused proceeds from the Series 2015 Public Building Revenue Bond Issue. Mr. Mulligan reminded the Commission that this was being done in order for the Commission to be in compliance with its Federal tax law obligations after the end of the so-called "Temporary Period" on October 6, 2018.

Mr. Mulligan further stated that the Commission's monthly disbursements were listed on

page fifteen (15) of the Treasurer's Report. Mr. Mulligan then indicated that the Commission's 2018 Fiscal Year ends on September 30th and that the Commission would need to begin its annual audit process. Mr. Mulligan stated that Sulaski & Webb, CPAs would be willing to perform the audit again for its standard fee of eleven thousand five hundred dollars and 00/100 (\$11,500.00). Mr. Mulligan then indicated that the Commission could also elect to put the work out for bid.

Chairman Novosad then inquired as to whether any Commissioner had a concern about Sulaski & Webb, CPAs performing the Commission's Fiscal Year 2018 audit. Hearing none, Chairman Novosad stated that the Commission would continue to utilize Sulaski & Webb, CPAs.

Mr. Funk asked whether Costigan & Wollrab, P.C. and Striegel Knobloch, LLC.'s professional fees were paid from the Commission's surplus funds. In response, Commission Attorney Robert Porter acknowledged that the Treasurer's Report showed those fees as being paid from unrestricted funds, but clarified that all funds on the Report not specifically earmarked for Project construction or debt service are classified as unrestricted. Mr. Porter then noted that his fees and Mr. Mulligan's fees were built into the lease payments made by both McLean County and the City of Bloomington and that the fees were not being paid from the Commission's surplus funds.

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. Zimmerman and seconded by Mr. Farnsworth 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" and instead turned to the Commission's "New Business." Chairman Novosad specifically asked Project Manager John Bishop of the Farnsworth Group, Inc., Project Manager Matt Brown of River City Construction, LLC., County Director of Administrative Services Eric Schmitt, and Mr. Jack Moody to discuss the architectural design, engineering services, and construction administration of the McLean County Law & Justice Center Expansion Project.

Mr. Bishop first (1st) noted that the Commissioners would witness a great deal of the Project's progress firsthand during their tour of the new Jail facility immediately following the meeting. Mr. Bishop then indicated that a majority of the concrete had been poured around the perimeter of the new Jail facility. Mr. Bishop stated that painting and ceiling installation were ongoing in the new facility's interior.

Mr. Bishop next indicated that he, Project Manager Matt Brown, and County Director of Administrative Services Eric Schmitt had recently processed Allowance Authorization Number Nine (9). Mr. Bishop stated that this Allowance Authorization encompassed the installation of additional flooring and piping in the new Jail facility in addition to some miscellaneous minor revisions. Mr. Bishop also noted that the Allowance Authorization pertained to clearing unexpected water from the

elevator pits.

Chairman Novosad asked Mr. Bishop whether all of the items included on Allowance Authorization Number Nine (9) had been approved by County Director of Administrative Services Eric Schmitt and Mr. Bishop responded in the affirmative. Chairman Novosad then stated that, following the processing of Allowance Authorization Nine (9), just one thousand eight dollars and 51/100 (\$1,008.51) of the original one million fifty-five thousand dollars and 00/100 (\$1,055,000.00) of built-in contingency in the Commission's contract with River City Construction, LLC. remained. Chairman Novosad nonetheless noted that the Commission would discuss voting to replenish the contingency fund at a later point in the meeting.

Chairman Novosad then asked if there were any additional questions or comments for Mr. Bishop regarding the status of the McLean County Law & Justice Center Expansion Project. Hearing none, Chairman Novosad noted that the Commission had received an invoice from the Farnsworth Group, Inc. on August 29, 2018 in the amount of twenty thousand six hundred sixteen dollars and 19/100 (\$20,616.19). This amount represented the fee incurred by the Farnsworth Group, Inc. during the month of August 2018.

Chairman Novosad asked Mr. Jack 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 seventy-eight and-a-half percent (78.5%) of the Project's construction phase.

Chairman Novosad then asked if there were any additional questions or comments regarding the Farnsworth Group, Inc.'s August 2018 invoice. Hearing none, Chairman Novosad asked for a Motion to approve payment to the Farnsworth Group, Inc. in the amount of twenty thousand six hundred sixteen dollars and 19/100 (\$20,616.19) 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 August 2018. It was moved by Mr. Funk and seconded by Mr. Reid to approve payment to the Farnsworth Group, Inc. in the amount of twenty thousand six hundred sixteen dollars and 19/100 (\$20,616.19) 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 August 29, 2018 in the amount of one million six hundred forty-five thousand seven hundred seventy-three dollars and 42/100 (\$1,645,773.42). This amount represented the fee incurred by River City Construction, LLC. during the month of August 2018. Chairman Novosad asked Mr. Moody whether the invoice 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 then asked if there were any additional questions or comments regarding River City Construction, LLC.'s August 2018 invoice. Hearing none, Chairman Novosad asked for a

Motion to approve payment to River City Construction, LLC. in the amount of one million six hundred forty-five thousand seven hundred seventy-three dollars and 42/100 (\$1,645,773.42) 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 August 2018. It was moved by Mr. Harris and seconded by Mr. Farnsworth to approve payment to River City Construction, LLC. in the amount of one million six hundred forty-five thousand seven hundred seventy-three dollars and 42/100 (\$1,645,773.42) 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 August 2018. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad further indicated that the Commission was being asked to approve a Change Order increasing the contingency allowance for the McLean County Law & Justice Center Expansion Project. Chairman Novosad initially noted that the Commission's contract with River City Construction, LLC. contained one million fifty-five thousand dollars and 00/100 (\$1,055,000.00) of un-allocated, contingency funds to be used on an as-needed basis to address unforeseen developments, design omissions, and/or construction coordination issues arising during construction. Chairman Novosad indicated that the use of these funds did not necessitate a "change order" as they had previously been appropriated towards the Project and thus did not increase the contract sum. Chairman Novosad reminded the Commission that the use of these contingency funds required the written concurrence of Mr. Bishop, Project Manager Matt Brown, and the Commission's Project Representative in the form of a written Allowance Authorization. However, Chairman Novosad noted that, at its April 2018 meeting, the Commission adopted a policy of casting concurrence votes for those individual Allowance Authorization items in excess of fifty thousand dollars and 00/100 (\$50,000.00).

Chairman Novosad then noted that the Commission had processed nine (9) Allowance Authorizations and had utilized one million fifty-three thousand nine hundred ninety-one dollars and 49/100 (\$1,053,991.49) of un-allocated contingency funds built into the contract with River City Construction, LLC. Chairman Novosad noted that just one thousand eight dollars and 51/100 (\$1,008.51) of the original one million fifty-five thousand dollars and 00/100 (\$1,055,000.00) of the contingency funds built into the contract remained. Chairman Novosad next noted that the Commission anticipated to face change order requests as the Project continued to progress. To address this need, Chairman Novosad noted that the Commission was being asked to replenish its contractual contingency fund by three hundred fifty thousand dollars and 00/100 (\$350,000.00) by way of a Change Order. Chairman Novosad noted that this three hundred fifty thousand dollar and 00/100 (\$350,000.00) would be handled in the same way that Allowance Authorizations have been handled to date.

In reviewing the proposed Change Order, Mr. Good noted that the two (2) prior Change Orders approved by the Commission were shown as zero cost Change Orders. Mr. Good then inquired as to why these Change Orders were reflected as having no cost. In response, Mr. Bishop noted that the first (1st) two (2) Change Orders approved by the Commission dealt solely with

scheduling issues.

Chairman Novosad then asked if there were any additional questions or comments regarding the proposed Change Order. Hearing none, Chairman Novosad asked for a Motion to approve the Change Order increasing the contingency allowance for the McLean County Law & Justice Center Expansion Project by three hundred fifty thousand dollars and 00/100 (\$350,000.00) from the Series 2015 Public Building Revenue Bond Issue's Project Fund. It was moved by Mr. Reid and seconded by Mr. Zimmerman to increase the contingency allowance for the McLean County Law & Justice Center Expansion Project by three hundred fifty thousand dollars and 00/100 (\$350,000.00) 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 Mr. Funk was set to retire from the Commission at the conclusion of his current term on September 30th. Chairman Novosad noted that Mr. Funk had been appointed to serve on the Commission on May 13, 2002 by the Bloomington-Normal Water Reclamation District to fill the unexpired term of Judge Paul G. Lawrence. Chairman Novosad noted that, during Mr. Funk's tenure on the Commission, the Commission constructed two (2) additional levels to the Abraham Lincoln Memorial Parking Deck, renovated the exterior of the Hundman Building, renovated the Government Center, repaired the dome on the Old Courthouse, and has undertaken the Law & Justice Center Expansion Project. Chairman Novosad further indicated that Mr. Funk assisted with the review of the Commission's required fiscal year audits and took an active role in the Commission's investments and bonds issues.

Chairman Novosad then presented Mr. Funk with an engraved Danbury desk clock to commemorate Mr. Funk's service.

Mr. Funk thanked the Commission for its recognition of his service and stated that it had been nice to serve on such a well-managed board.

Chairman Novosad next turned to the Commission's "Other Business" and reminded the Commissioners that the Commission would hold its annual meeting in October.

Chairman Novosad next 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. Harris and seconded by Mr. Zimmerman that the meeting be adjourned and the Motion was unanimously approved by voice vote. The meeting was adjourned at 3:50 p.m.

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

APPROVED:

October 2, 2018

John L. Morel / rwp

JOHN L. MOREL,
Secretary, Public Building Commission