

PUBLIC BUILDING COMMISSION OF CHICAGO
MINUTES OF THE ANNUAL MEETING OF THE
BOARD OF COMMISSIONERS HELD ON OCTOBER 1, 2010

The annual meeting of the Board of Commissioners of the Public Building Commission of Chicago was held at the Board Meeting Room, 2nd Floor, Richard J. Daley Center on October 1, 2010 at 2:30 P.M.

The following Commissioners were present:

Richard M. Daley, Chairman
Arthur M. Brazier
Adela Cepeda
Benjamin Reyes
Mary B. Richardson-Lowry
Samuel Wm. Sax
Todd Stroger
Bryan Traubert

The following Commissioners were absent:

Robert B. Donaldson
Cynthia M. Santos
Gerald M. Sullivan

Also present were:

Erin Lavin Cabonargi

J. Alvarez
L. Bannister
B. Campney
R. Castillo
P. Carmak
J. Dalton
T. Davis
M. Dempsey
E. Fisk
T. Foucher-Weekley
A. Fredd
A. Garcia-Abner
L. Giderof

R. Giderof
B. Goldstein
K. Hall
J. Hartman
T. Haymaker
L. Hillman
K. Hoecker
K. Holt
D. Jackson
E. Johnson
C. Kalant
L. Ketterl
T. Later
L. Lypson
J. Mark
M. Mayo
J. McConnell
K. McDonald
J. McGleam
D. McNabb
J. Meeks
J. Muss
L. Neal
E. Odderstol
B. O'Reilly
A. Pierzchalski
O. Ruffin
L. Santoyo
P. Selden
M. Simon
P. Spieles
J. Stein
K. Taylor
P. Taylor
K. Vantrease
A. Wiggins
J. Winbush
J. Wilson

The meeting was called to order and the presence of a quorum was established.

The reading of the minutes of the September 14, 2010 meeting, which had previously been distributed, was dispensed with and upon motion duly made and seconded the minutes of said meeting were unanimously adopted.

The Board of Commissioners was next presented with the nomination and election of officers for terms ending September 30, 2011, as follows:

Chairman:	Mayor Richard M. Daley
Secretary:	Edgrick C. Johnson
Assistant Secretary:	Patrick J. Harney
Treasurer:	Arthur M. Brazier
Assistant Treasurer:	John E. Wilson

There being no further nominations and upon vote being taken, the aforesaid nominees were unanimously elected to the offices set forth opposite their respective names.

The Board of Commissioners was next presented the Public Building Commission of Chicago 2009 Annual Report. The annual report through pictures and personal comments from the Chairman and Executive Director highlights the function of and projects undertaken by the Public Building Commission. Commendations were extended by Commissioner Sax to the Executive Director, the Public Building Commission staff and Avis LaVelle Consulting for the outstanding job performed in preparing the annual report. The report was accepted.

Commissioner Mary B. Richardson-Lowry next presented to the Board of Commissioners a report of the Audit Committee meeting held on September 23, 2010 which is summarized as follows:

- ◆ **Report by Legal Counsel – Inspector General Function** – Legal Counsel advised the Audit Committee concerning the preparation of a draft Resolution authorizing the appointment of an Inspector General for the Public Building Commission of Chicago. The goals of the Inspector General would include:

promote integrity, efficiency and economy in the Commission's programs, contracts and operations;

detect, investigate, deter and prevent fraud, abuse, waste and potential misconduct;

independent and objective evaluation of PBC's resources and operations;

recommend to the Board and the Executive Director policies, procedures and methods to eliminate and prevent inefficiency, waste and misconduct

assist the Board and the Executive Director in improving PBC's programs, activities and operations.

Specific duties and responsibilities of the Inspector General are summarized in the draft resolution included in the advance materials and board books distributed for this meeting.

After discussion, the Audit Committee accepted the recommendation to authorize the appointment of an Inspector General for the Public building commission of Chicago.

The report of the Audit Committee was accepted.

Next, Commissioner Mary Richardson-Lowry presented a report regarding the Administrative Operations (AO) meeting held on September 23, 2010 which is summarized as follows:

- ◆ **Report by the Executive Director** – The Executive Director advised the AO Committee concerning the prequalification of 12 contractors for the Back of the Yards Site Preparation project.
- ◆ **Field Order Activity Report and Proposed Change Orders** – The AO Committee accepted the report concerning Field Orders issued for various projects and approved change orders for the following projects: 9th District Police Station, credit (\$1,291.00); Marquette Park Playground, Time Extension Only (\$0); Piotrowski Park Playground, \$2,200.00; 40th Street Beach Comfort Station, \$7,353.00; Osterman Beach Comfort Station, \$11,124.00; Michael Reese Hospital Demolition, \$97,000.00.
- ◆ **Specialty Consultants** - The AO Committee accepted the report concerning contract awards to Specialty Consultants for the following projects: Collins Campus Renovations; Powell Replacement Elementary School; Engine Company 16; Marshall Campus Park; Marvin Camras Elementary School; Langston Hughes Elementary School; Engine Company 109; and Haas Park Field House.
- ◆ **Mount Greenwood Elementary School Renovation Project** - The AO Committee deferred the issuance of a Task Order to SMNG-A as Architect of Record for the Mount Greenwood Elementary School Renovation project **pending receipt of additional information.**

- ◆ **Richard J. Daley Center Operating and Capital Budgets for 2011** – MB Real Estate, Property Manager for the Daley Center, provided a detailed report to the AO Committee that the Daley Center's Operating Expenses compared favorably with benchmark data collected by the Building Owners & Managers Association Experience Exchange Report.

The Operations and Maintenance Budget for 2011 reflected a 1.23% increase over projected 2010 expenses and a .44% increase over the 2010 Budget prior to the application of \$2.5 million in operating surplus from prior years. Decreases resulted from security expenses with the re-bid of the security contract, mechanical maintenance expenses due to work completed as part of the GEPC, administrative expenses due to Administrative Cost Recovery Fee for Daley Plaza events, and insurance expenses due to completion of sprinkler installation. Increases resulted from cleaning expenses due to collective bargaining agreement wage increase and increase in electrical distribution charges offset by GEPC savings.

The Capital Budget for 2011 reflected a 71% decrease from the 2010 Budget and includes the following projects: elevator modernization (approximately 60% complete); security camera upgrades (in design); entrance and exit ramp re-waterproofing; 9th floor generator; replacement of two chiller motors; variable frequency drives; lower level generator load bank test and ATS wiring; and additional energy conservation measures.

The AO Committee accepted the report from the Director of Finance recommending approval of the 2011 Daley Center Operating Budget in the amount of \$13,296,138 and the 2011 Capital Budget in the amount of \$2,280,000, for a total budget authorization of \$15,576,138.

- ◆ **PBCC 2011 Administrative Expense Budget** – The AO Committee accepted the report by the Director of Finance recommending approval of PBC's 2011 Administrative Budget in the sum of \$18,298,910. The budget reflected estimated resources available from the following sources: Administrative Lease Allocation from Revenue Bonds; Prior Collected PBC Administrative Fees; 2011 Projected PBC Administrative Fees; and Direct Allocation for Insurance Expenses. Projected Administrative Expenses for 2011 include the following: Personnel Services including retirement contributions; Insurance; Legal Fees; Inspector General Legal Fees; Professional Services Fees including financial advisory services; Rent/Leasehold Improvements; Office/Computer Supplies and Equipment and other administrative expenses; Program Management Office; and Contingency. There was considerable discussion concerning the projected decreases in the Work-In-Place, PMO Core/PBC Personnel Costs and Fees and Bond Lease Revenues.
- ◆ **Alternative Project Financing and Delivery** – Legal Counsel advised the AO Committee concerning the proposed engagement of Scott Balice Strategies, LLC, a certified WBE firm, to perform financial advisory services needed to investigate

various alternative transactional structures due to limited financial resources available to public agencies.

- ◆ **Report by Legal Counsel** – Legal Counsel provided a report during Executive Session concerning the acquisition of property for the Whitney Young Branch Library project. A further report was provided to the Board of Commissioners during Executive Session.
- ◆ **Proposed Amendments to Professional Services Agreement.** The AO Committee concurred with the recommendation to approve amendments to professional services agreements as summarized in the Proposed Professional Services Amendment Report attached as Exhibit “A”.

The report of the Administrative Operations Committee was accepted.

Following consideration of the Administrative Operations Committee report, and upon motion duly made and seconded, the following resolution was adopted by the Board of Commissioners:

RESOLUTION NO. 7568

BE IT RESOLVED by the Board of Commissioners of the Public Building Commission of Chicago that the Executive Director is hereby authorized to issue amendments to Professional Services Agreements for various projects in the amounts indicated on the document entitled “Proposed Professional Services Amendment Report to the Administrative Operations Committee” and attached to the minutes of this meeting as Exhibit “A”.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

The Executive Director then called upon Kevin Holt, Director of Development, to present to the Board of Commissioners for consideration of approval proposed Change Orders to various contracts marked Exhibit “B”. After discussion and consideration, and upon motion duly made and seconded, the following resolution was adopted:

October 1, 2010

RESOLUTION NO. 7569

BE IT RESOLVED by the Board of Commissioners of the Public Building Commission of Chicago that the Executive Director is hereby authorized to issue Change Orders to contracts for various projects in the amounts indicated on the document entitled "Change Orders" and attached to the minutes of this meeting and marked Exhibit "B".

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

The next item presented to the Commissioners was the Notice of Awards report. There were 2 items included on the notice of contracts awarded since the previous board meeting that were under \$25,000. The report was accepted following discussion and consideration and a copy of this report is attached hereto as Exhibit "C".

The Executive Director next presented to the Commissioners the Notice of Awards made to Specialty Consultants for various PBC projects. There were 10 items included on the notice of contracts awarded to specialty consultants since the previous board meeting. The report was accepted following discussion and consideration and a copy of this report is attached hereto as Exhibit "D".

The next agenda item presented by the Executive Director to the Board of Commissioners was a report concerning the Public Building Commission's various 2011 administrative budgets. After discussion and consideration and upon motion duly made and seconded, the proposed 2011 Public Building Commission of Chicago Consolidated Administrative Expense Budget and the 2011 Individual Administrative Expense Budgets as required by the several bond resolutions were approved and are attached hereto collectively as Exhibit "E":

RESOLUTION NO. 7570

BE IT RESOLVED by the Board of Commissioners of the Public Building Commission of Chicago that the 2011 Consolidated Administrative Expense Budget and the 2011 Individual Administrative Expense Budgets by bond issue attached hereto collectively as Exhibit "E" are hereby approved.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert -- 8

Commissioners voting in the negative:

None

Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLUTION NO. 7571

2011 Administrative Expense Budget
under Bond Resolution No. 3900 - Series A of 1990

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby adopt pursuant to Resolution No. 3900 the following Administrative Expense Budget for 2011:

	1990A
Personnel Services	\$ 138,390
Insurance	15,307
Legal	10,067
Inspector General	1,727
Professional Services	21,701
Rent/Leasehold	
Improvements	11,938
Office Supplies &	
Other Admin. Items	17,988
Program Mgmt. Office	82,883
Total	\$ 300,000

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLUTION NO. 7572
2011 Administrative Expense Budget
under Bond Resolution No. 3901 - Series B of 1990

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby adopt pursuant to Resolution No. 3901 the following Administrative Expense Budget for 2011:

	1990B
Personnel Services &	\$ 11,533
Insurance	1,276
Legal	839
Inspector General	144
Professional Services	1,808
Rent/Leasehold	
Improvements	995
Office Supplies &	
Other Admin. Items	1,499
Program Mgmt. Office	6,907
Total	\$ 25,000

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLUTION NO. 7573
2011 Administrative Expense Budget
under Bond Resolution No. 4550 - Series A of 1993

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby adopt pursuant to Resolution No. 4550 the following Administrative Expense Budget for 2011:

	1993A
Personnel Services	\$ 553,561
Insurance	61,230
Legal	40,267
Inspector General	6,907
Professional Services	86,803
Rent/Leasehold	
Improvements	47,751
Office Supplies &	
Other Admin. Items	71,950
Program Mgmt. Office	331,532
Total	\$ 1,200,000

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

Upon motion duly made and seconded, the following resolution was unanimously adopted:

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RESOLUTION NO. 7574

2011 Administrative Expense Budget
under Bond Resolution No. 5590 (4560)-
Series A of 1998 (Refunding Series C of 1993)

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby adopt pursuant to Resolution No. 5590 (4560) the following Administrative Expense Budget for 2011:

	1998A (1993C)
Personnel Services	\$ 69,195
Insurance	7,654
Legal	5,033
Inspector General	863
Professional Services	10,850
Rent/Leasehold Improvements	5,969
Office Supplies & Other Admin. Items	8,994
Program Mgmt. Office	41,441
Total	\$ 150,000

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

Thereupon the Board of Commissioners considered the remaining portion of the proposed Consolidated Administrative Expense Budget which would be chargeable to other revenues of the PBC. Upon motion duly made and seconded, the following resolution was unanimously adopted:

October 1, 2010

RESOLUTION NO. 7575

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby adopt the following Administrative Expense Budget for 2011 for that portion of its activities and related expenses properly chargeable to PBC fees, Restricted Net Assets and direct allocation to various project accounts:

	PBC Fees & Direct Allocation
Personnel Services &	\$ 7,241,919
Insurance	801,033
Legal	526,794
Inspector General	90,359
Professional Services	1,135,588
Rent/Leasehold	
Improvements	624,697
Office Supplies &	
Other Admin. Items	941,283
Program Mgmt. Office	4,337,237
Contingency	925,000
Total	\$ 16,623,910

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

The Executive Director next presented to the Board of Commissioners for consideration of approval a resolution authorizing the establishment of an Inspector General Function for the Public Building Commission of Chicago. After discussion and consideration and upon motion duly made and seconded, the following resolution was adopted.

RESOLUTION NO. 7576

WHEREAS the Public Building Commission of Chicago (the "Commission") was created pursuant to the Public Building Commission Act of the State of Illinois (50 ILCS 20/1 et. seq.) (the "Act") for the purpose of facilitating the construction, acquisition and enlargement of public improvements; and

WHEREAS pursuant to Section 8 of the Act, the government, control and management of the affairs of the Commission shall be vested in the Board of Commissioners (the "Board") of the Commission; and

WHEREAS the Board has full power and authority to pass all necessary resolutions, rules and regulations for the proper conduct of the programs and operations Commission and to effectuate the objectives for which the Commission was created; and

WHEREAS the Board is committed to the honest and efficient operation of the Commission and desires to provide for the establishment of an independent and objective inspection and investigative resource for the Commission; and

WHEREAS the Board has determined that it is in the best interests of the Commission and the citizens of the City of Chicago to establish guidelines and regulations for an Inspector General to conduct investigations relating to programs, operations and contracts of the Commission:

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE PUBLIC BUILDING COMMISSION OF CHICAGO AS FOLLOWS:

1. Recitals. The foregoing recitals are hereby incorporated herein by reference.

2. Authorization. The Board hereby authorizes the Chairman of the Audit Committee to engage the services from time to time of one or more independent, qualified service providers to perform independent investigations as Inspector General on behalf of the Board. Specific tasks may be assigned to the Inspector General by the Chairman of the Audit Committee or the Executive Director.

3. Goals and Objectives. The goals and objectives of the Inspector General include the following:

3.1.1 promote integrity, effectiveness, efficiency and economy in the Commission's programs, contracts and operations.

3.1.2 detect, investigate, deter and prevent fraud, abuse, waste and potential for misconduct therein..

3.1.3 provide independent, fair and objective evaluations relating to the Commission's resources and operations.

3.1.4 recommend to the Board and the Executive Director policies, procedures and methods to eliminate and prevent inefficiency, waste and misconduct.

3.1.5 assist the Board and the Executive Director in improving the programs, activities and operations of the Commission.

4. Duties and Responsibilities. The Inspector General shall have the authority to conduct audits, inspections, evaluations and investigations involving projects undertaken by the Commission by contractors and employees of the Commission. Specific duties of the Inspector General include the following, provided, however that nothing in this Resolution shall be construed to give the Inspector General jurisdiction over ordinary and routine issues regarding the general performance and competence of Commission employees and contractors:

4.1.1 conduct investigations into allegations or incidents of waste, fraud and financial mismanagement with respect to projects managed or administered by the Commission.

4.1.2 conduct investigations into allegations of misconduct, mismanagement, nonfeasance, fraud or abuse by employees or contractors of the Commission.

4.1.3 conduct investigations regarding systems, practices and procedures of the Commission to determine their efficacy in preventing incidents of waste, fraud and mismanagement and recommend to **the Board** potential modifications to promote efficiency and prevent subsequent incidents of waste, fraud or mismanagement.

4.1.4 conduct forensic audits when necessary for investigations involving potential fraud, waste mismanagement or misconduct.

4.1.5 consult with the Board and the Executive Director to provide information obtained by the Inspector General which may impact decisions regarding the Commission's programs and activities.

4.1.6 if determined by the Inspector General and the Chairman of the Audit Committee to be appropriate and warranted, refer allegations or incidents of fraud or misconduct to the appropriate federal, state and local law enforcement agencies.

4.1.7 respond to inquiries, as appropriate, from the Inspector General of other municipal corporations and government agencies.

4.1.8 prepare comprehensive and detailed policies and procedures for the performance of the duties authorized by this Resolution, which policies and procedures shall be subject to the review and approval of the Board.

4.1.9 perform such other and further duties as may be agreed by the Chairman of the Audit Committee, the Executive Director and the Inspector General.

5. Cooperation. It shall be the duty of all Commission employees, officials, agents, contractors, subcontractors or persons or businesses seeking Commission contracts or pre-qualification to bid on Commission contracts to cooperate in the conduct of investigations undertaken by the Inspector General. Every Commission contract and every bid, proposal, application or solicitation for a Commission contract and every application for pre-qualification to bid on Commission contracts shall contain a statement that the person, individually and on behalf of the applicant, will abide by the provisions of this Resolution. Nothing in this Resolution may be interpreted to allow the Inspector General to violate any individual's constitutional rights, including the Fifth Amendment right against self-incrimination, provided, however, that failure to cooperate may be cause for discharge. In addition, nothing in this Resolution may be interpreted to allow the Inspector General to request or require any statement, testimony, action or document that is subject to the attorney-client privilege.

6. Reports. Upon conclusion of any investigation, the Inspector General shall submit a confidential report to the Chairman of the Audit Committee who shall provide reports to the Board that may require corrective action. The Board shall have the exclusive authority to initiate any corrective action necessary pursuant to the Inspector General report.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adele Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

The next item to be presented to the Board of Commissioners was the proposed 2011 Operations and Maintenance Budget and the 2011 Capital Budget for the Richard J. Daley Center. After discussion and consideration and upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLUTION NO. 7577 - Daley Center

WHEREAS, the proposed Richard J. Daley Center Operations and Maintenance Budget and the Capital Budget for Fiscal Year 2011 are \$13,296,138 and \$2,280,000, respectively.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Public Building Commission of Chicago does hereby adopt the Richard J. Daley Center Operations and Maintenance Budget and Capital Budget for the fiscal year January 1, 2011 to December 31, 2011 attached hereto collectively as Exhibit "F".

BE IT FURTHER RESOLVED that the Public Building Commission of Chicago hereby approves its pro rata share of the budgeted amounts and requests the City of Chicago and the County of Cook to each appropriate its respective pro rata share of the sums of \$13,296,138 for the Operations and Maintenance Budget of the Richard J. Daley Center and \$2,280,000 for the Capital Budget of the Richard J. Daley Center for the fiscal year January 1, 2011 to December 31, 2011.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

The Executive Director next presented to the Board of Commissioners for consideration of approval 12 pre-qualified firms to provide general construction services for the Back of the Yards High School Site Preparation project as listed below. After discussion and consideration and upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 7578

BE IT RESOLVED that the recommendation by the Executive Director to approve the following firms as pre-qualified to provide general construction services for the Back of the Yards Site Preparation project to be undertaken by the Public Building Commission is hereby accepted and filed with the Board of Commissioners of the Public Building Commission.

American Demolition Corporation
 Brandenburg Industrial Service Company
 DMD Services, Inc.
 F.H. Paschen, S.N. Neilsen
 George Sollitt Construction Company
 John Keno and Company
 Ledcor Construction, Inc./Galaxy Environmental, Inc.
 McDonagh Demolition
 Power Construction Company
 Powers & Sons Construction Co., Inc.
 Rossi Contractors, Inc.
 Walsh Construction Company

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda;
 Benjamin Reyes, Mary B. Richardson-Lowry,
 Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

The Board of Commissioners was next presented with consideration of approval of a request by the City of Chicago Department of Zoning and Land Use Planning to transfer land and title of property located at 2401 & 2435-39 S. Federal Street and 2420-44 S. Dearborn Street (relative to Park No. 540) acquired by the Commission on behalf of the City to the Chicago Park District. After discussion and consideration, and upon motion duly made and seconded, the following resolution was adopted.

RESOLUTION NO. 7579

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby approve the request by the City's Department of Zoning and Land Use Planning and authorizes the transfer of land and title to certain property located at 2401 & 2435-39 S. Federal Street and 2420-44 S. Dearborn Street acquired by the Public Building Commission on behalf of the City of Chicago to the Chicago Park District.

BE IT FURTHER RESOLVED that the Chairman and Secretary are authorized and directed to execute, on behalf of the Commission, a quit claim deed and such other documents as may be approved as to form legality by Legal Counsel in order to convey title to such property to the Chicago Park District.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

The next item to be considered by the Board of Commissioners was to convene an Executive Session for the purpose of discussing the acquisition of real property for the new Whitney Young Branch Library project under section 2(c)5 of the Open Meetings Act and potential litigation involving the recovery of acceleration costs associated with steel fabrication delays under section 2(c)11 of the Open Meetings Act. Upon motion duly made and seconded, the following resolution was adopted.

RESOLUTION NO. 7580

BE IT RESOLVED that an Executive Session of the Board of Commissioners is hereby convened in order to discuss the acquisition of real property for the new Whitney Young Branch Library project under Section 2(c)5 of the Open Meetings Act and potential litigation involving the recovery of acceleration costs associated with steel fabrication delays under section 2(c)11 of the Open Meetings Act. .

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adele Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

Legal Counsel presented to the Board of Commissioners in Executive Session for consideration of approval the proposed purchase price of property required for the new Whitney Young Branch Library project located at 421-423 E. 79th Street, Chicago, Illinois (the "Property"). The Commissioners were advised that the property is owned by Wataru Shimizu. The subject property is improved with a 4,987 square foot, one story commercial building situated on a 6,250 square foot corner lot. The rear of the property is improved with parking for approximately four cars. The building is occupied by a Laundromat which is owned and operated by the owner, Mr. Shimizu.

David DuBois provided appraisal on behalf of the Commission in the sum of Four Hundred Thousand Dollars \$400,000. The Owner's attorney submitted an appraisal prepared by Randall R. Raynor, of American Valuation Group, Inc. in the sum of Four Hundred Sixty Thousand Dollars (\$460,000). Neither Mr. Dubois nor Mr. Raynor considered the environmental condition of the property in arriving at his opinion of value.

After numerous meetings with Mr. Shimizu and his attorney regarding the environmental contamination of the Subject Property and Mr. Shimizu's possible liability and cost for remediation, as well as the cost of litigating the environmental issue; discussion of the Illinois case law and owners liability and the cost of a jury trial, Legal Counsel negotiated a settlement with the Owner's attorney in the amount of Five Hundred

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Fifty Thousand Dollars (\$550,000), which includes the Owner's relocation benefits in the amount of \$239,350. Legal Counsel recommends approval of the settlement price for the acquisition of the Property including relocation benefits in the amount of \$550,000.00.

Next, Legal Counsel presented a report to the Board of Commissioners regarding the potential litigation involving the recovery of acceleration costs associated with steel fabrication delays. The Commissioners were advised that the PBC's general contractor of the Gwendolyn Brooks High School Addition project, F. H. Paschen / S. N. Nielsen was significantly behind schedule on the project due to the failure of Paschen's structural steel subcontractor, Carlo Steel, to meet its schedule obligations. Carlo Steel (whose late completion of structural steel was also, or had also, adversely impacting general contractors on six other PBC projects) has been notified that the PBC would expect that Carlo Steel, and *not* the PBC, would be expected to compensate the general contractors for any acceleration or other impact costs that may be incurred by the general contractors as a result of Carlo Steels late performance. During the discussion that ensued, staff was directed to obtain written reports from the general contractors regarding the impacts of any late performance by Carlo Steel on the general contractor's completion of the project, the general contractor's plan to mitigate those impacts and a confirmation that the general contractors would not be making cost claims against the PBC based on late completion by Carlo Steel.

At the conclusion of the Executive Session, the meeting was reconvened and the following resolutions were adopted:

RESOLUTION NO. 7581

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby approve the acquisition of the following-described parcel of real estate required for the new Whitney Young Branch Library project on behalf of the Chicago Public Library for the purchase price set forth opposite the owner and address for such parcel:

Whitney Young Branch Library

<u>Owner</u>	<u>Address</u>	<u>Purchase Price</u>
Wataru Shimizu	421-423 E. 79 th Street	\$550,000.00 (includes relocation)

amount of
\$239,350.00)

BE IT FURTHER RESOLVED that Legal Counsel and staff of the Commission are hereby authorized to proceed with the acquisition of the parcel described hereinabove for the amount approved herein and to execute such documents and take such actions as may be necessary and appropriate in order to acquire such parcel of real estate.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

RESOLUTION NO. 7582

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby accept the report concerning steel fabrication delays and acceleration costs.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda;
Benjamin Reyes, Mary B. Richardson-Lowry,
Samuel Wm. Sax, Todd Stroger, Bryan S. Traubert – 8

Commissioners voting in the negative:

None

There being no further business to come before the meeting, the meeting was adjourned.

Secretary

APPROVED:

Chairman

October 1, 2010

Public Building Commission of Chicago
 Proposed Amendment Report to the Administrative Operations Committee
 September 23, 2010

Amendment	Project	Consultant	Reason for the Proposed Amendment	Current Cost of Construction (including approved change orders)	Consultant's Current Fee	Amount of the Proposed Amendment	Consultant's Fee Including the Proposed Amendment Fee	Consultant's Fee including the Proposed Amendment Fee as a % of the Current Cost of Construction
1	Back of the Yards High School	STL (PS 1644 - A2) AOR	This amendment represents an increase in the amount of \$56,268.00 for the Architect of Record to provide the following additional services: 1. Update design for elevator system to accommodate both a freight and passenger elevator - \$19,000.00; 2. Design work to update the site development at 47th and Hoyne pursuant to Plan Commission Recommendations - \$37,268.00. The services represented in this amendment were not included in the original scope of services.	\$80,165,186.00	\$3,808,231.00	\$56,268.00	\$3,864,499.00	4.8%
2	Boone Clinton Elementary School	Muller / Muller (PS 1239 - A2) AOR	This amendment represents an increase in the amount of \$159,000.00 for the Architect of Record to provide additional services for site revisions associated with the new Kedzie Access Road and People's Gas Utility Relocations. The services represented in this amendment were not included in the original scope of services.	\$23,881,182.00	\$1,917,801.71	\$159,000.00	\$2,076,801.71	8.7%
3	South Shore High School	Roman / DeStefano JV (PS 1144 - A3) AOR	This amendment represents an increase in the amount of \$168,122.28 for the Architect of Record to provide the following: 1. Extension of Construction Phase Services from July 12, 2010 to November 18, 2010 due to the revised Substantial Completion Date for the project - \$160,682.28; 2. Additional services required to produce design documents associated with the implementation of the Site Development Guidelines for the project - \$7,460.00. The services represented in this amendment were not included in the original scope of services.	\$73,483,484.00	\$4,500,200.00	\$168,122.28	\$4,668,322.28	6.4%
4	Program Management Office	The Rise Group, LLC (PS 1398 - A2) Consultant	This amendment establishes the budget amounts for PMO Services to be provided by The Rise Group during calendar year 2011. The Rise Group's 2011 Work and Cost Outlay Plan (WCOP) anticipates 34 projects under PB/C/PMO management during 2011. PMO core staff costs are budgeted in the amount of \$4,800,000.00 and are to be funded out of the PBC's Administrative Budget. Project Management costs, budgeted in the amount of \$13,000,000.00, are included in and funded out of each project budget.	N/A	N/A	\$17,800,000.00	N/A	N/A

PUBLIC BUILDING COMMISSION OF CHICAGO

BOARD MEETING – October 1, 2010

CHANGE ORDERS

**PUBLIC BUILDING COMMISSION
SUMMARY OF PROPOSED CHANGE ORDERS
FOR PBC BOARD MEETING
October 1, 2010**

A	B	C	D	E	F = (D+E)	G	H = (F+G)	I = ((E+G)/D)
PROJECT	CONTRACT NUMBER	CONTRACTOR	ORIGINAL CONSTRUCTION CONTRACT	AMOUNT OF PREVIOUSLY APPROVED CHANGE ORDERS	ADJUSTED CONSTRUCTION CONTRACT WITH PREVIOUSLY APPROVED CHANGE ORDERS	PROPOSED CHANGE ORDERS FOR OCTOBER	ADJUSTED CONSTRUCTION CONTRACT AFTER APPROVAL OF PROPOSED CHANGE ORDERS	ALL CHANGE ORDERS AS PERCENT OF THE ORIGINAL CONTRACT PRICE
9th District Police Station (3120 S. Halsted Street) Project Manager: James Harrell	1455	FHP Tectonic Corp.	\$28,977,000.00	\$408,614.50	\$29,385,614.50	(\$1,291.00)	\$29,384,323.50	1.41%
Marquette Park Playground 6743 S. Kedzie Avenue Project Manager: Darrell Slomiany	1508	FH Paschen, S.N. Nielsen & Assoc.	\$306,000.00	\$25,243.90	\$331,243.90	\$0.00	\$331,243.90	8.25%
Plotrowski Park Playground (4247 W. 31st Street) Project Manager: Darrell Slomiany	1509	Pan Oceanic Engineering	\$339,792.00	\$0.00	\$339,792.00	\$2,200.00	\$341,992.00	0.65%
40th Street Beach Comfort Station (4101 S. Lake Shore Drive) Project Manager: Darrell Slomiany	1497A	Pacific Construction Services	\$1,510,071.00	\$128,210.27	\$1,638,281.27	\$7,353.00	\$1,645,634.27	8.98%
Osterman Beach Comfort Station (5701 N. Lake Shore Drive) Project Manager: Darrell Slomiany	1497B	Pacific Construction Services	\$1,417,071.00	\$385,053.68	\$1,802,124.68	\$11,124.00	\$1,813,248.68	27.96%
Michael Reese Hospital Demolition Project (2929 S. Ellis Avenue) Project Manager: John Latoza	1490-01	Heneghan Wrecking Company	\$3,194,300.00	\$742,109.33	\$3,936,409.33	\$97,000.00	\$4,033,409.33	26.27%

PUBLIC BUILDING COMMISSION OF CHICAGO

CHANGE ORDER

9th District Police Station

3120 S. Halsted

October 1, 2010

FHP Tectonic Corp.

8725 W. Higgins Road, Suite 200

Chicago, IL 60631

CHNG	BULL	CONTRACT NUMBER 1455	
ORDR	NUM	ORIGINAL CONTRACT PRICE	\$28,977,000.00
NUM		APPROVED CHANGE ORDERS	\$408,614.50
ADJUSTED CONTRACT PRICE TO DATE			\$29,385,614.50
004	1455-047	Deduct unused contract contingency fund. Other.	(\$1,291.00)

TOTAL CHANGE ADDITION (\$1,291.00)


ADJUSTED CONTRACT PRICE AFTER APPROVAL \$29,384,323.50

All interested parties are hereby notified that the Change Order listed above shall apply to Contract No. 1455 heretofore issued by the Public Building Commission.

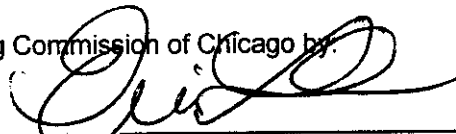
All parties shall apply the change as indicated above.

Resolution Number 7569

Changes as specified above authorized for the Public Building Commission of Chicago by:



Reviewed By



Executive Director

PUBLIC BUILDING COMMISSION OF CHICAGO

CHANGE ORDER

Marquette Park Playground

6743 S. Kedzie Avenue

October 1, 2010

F. H. Paschen, S.N. Nielsen & Associates, LLC

8725 W. Higgins Road, Suite 200

Chicago, IL 60631

CHNG	BULL	CONTRACT NUMBER 1508	
ORDR	NUM	ORIGINAL CONTRACT PRICE	\$ 306,000.00
NUM		APPROVED CHANGE ORDERS	\$ 25,243.90
ADJUSTED CONTRACT PRICE TO DATE			\$ 331,243.90
002	1508-004	47-day time extension associated with equipment delays and labor strike delay.	\$0.00

Revised Substantial Completion Date is August 24, 2010.
Other.

TOTAL CHANGE ADDITION \$ 0.00

ADJUSTED CONTRACT PRICE AFTER APPROVAL \$ 331,243.90

All interested parties are hereby notified that the Change Order listed above shall apply to Contract No. 1508 heretofore issued by the Public Building Commission.

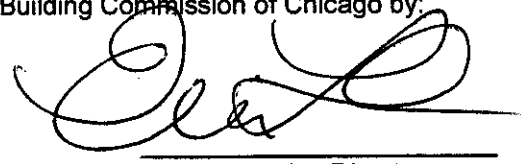
All parties shall apply the change as indicated above.

Resolution Number 7569

Changes as specified above authorized for the Public Building Commission of Chicago by:



Reviewed By



Executive Director

PUBLIC BUILDING COMMISSION OF CHICAGO

CHANGE ORDER

Piotrowski Park Playground

4247 W. 31st Street

October 1, 2010

Pan Oceanic Engineering

8501 W. Higgins Road, Suite 630

Chicago, IL 60631

CHNG	BULL	CONTRACT NUMBER 1509	
ORDR	NUM	ORIGINAL CONTRACT PRICE	\$ 339,792.00
NUM		APPROVED CHANGE ORDERS	\$ 0.00
ADJUSTED CONTRACT PRICE TO DATE			\$ 339,792.00
001	1509-002	55-day time extension associated with equipment delivery delays, weather delays, and the labor strike delay. Fence rental required to secure site for length of delay.	\$2,200.00
Revised Substantial Completion Date is August 26, 2010. Other.			

TOTAL CHANGE ADDITION	\$ 2,200.00
ADJUSTED CONTRACT PRICE AFTER APPROVAL	\$ 341,992.00

All interested parties are hereby notified that the Change Order listed above shall apply to Contract No. 1509 heretofore issued by the Public Building Commission.

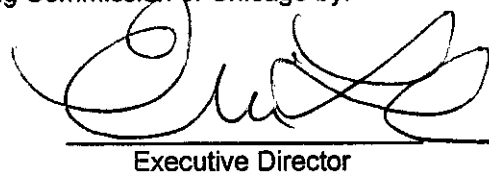
All parties shall apply the change as indicated above.

Resolution Number 7569

Changes as specified above authorized for the Public Building Commission of Chicago by:



Reviewed By



Executive Director

PUBLIC BUILDING COMMISSION OF CHICAGO

CHANGE ORDER

40th Street Beach Comfort Station

4101 South Lake Shore Drive

October 1, 2010

Pacific Construction Services

4700 N. Ravenswood, Suite B

Chicago, Illinois 60640

CHNG	BULL	CONTRACT NUMBER 1497A	
ORDR	NUM	ORIGINAL CONTRACT PRICE	\$1,510,071.00
NUM		APPROVED CHANGE ORDERS	\$ 128,210.27
ADJUSTED CONTRACT PRICE TO DATE			\$1,638,281.27
005	1497A-14	Install a temporary office trailer on site from May 27,2010 thru July 2, 2010. Client Directed Change.	\$2,558.00
005	1497A-16	Provide final cleaning and sealing of stainless steel throughout the building. Other.	\$4,028.00
005	1497A-17	Prime and paint cast iron portion of downspouts to match the color of the PVC downspouts. Other.	\$767.00
TOTAL CHANGE ADDITION			\$7,353.00
ADJUSTED CONTRACT PRICE AFTER APPROVAL			\$1,645,634.27

All interested parties are hereby notified that the Change Order listed above shall apply to Contract No. 1497A heretofore issued by the Public Building Commission.

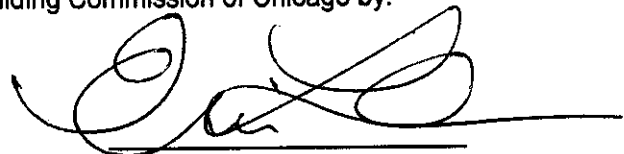
All parties shall apply the change as indicated above.

Resolution Number 7569

Changes as specified above authorized for the Public Building Commission of Chicago by:



Reviewed By



Executive Director

PUBLIC BUILDING COMMISSION OF CHICAGO

CHANGE ORDER

Osterman Beach Comfort Station

5701 North Lake Shore Drive

July 13, 2010

Pacific Construction Services

4700 N. Ravenswood, Suite B

Chicago, Illinois 60640

CHNG	BULL	CONTRACT NUMBER	1497B	
ORDR	NUM	ORIGINAL CONTRACT PRICE		\$1,417,071.00
NUM		APPROVED CHANGE ORDERS		\$ 385,053.68
ADJUSTED CONTRACT PRICE TO DATE				\$1,802,124.68
005	1497B-14	Install a temporary office trailer on site from May 27, 2010 thru July 2, 2010. Client Directed Change.		\$6,329.00
005	1497B-15	Provide final cleaning and sealing of stainless steel throughout the building. Other.		\$4,028.00
005	1497B-16	Prime and paint cast iron portion of downspouts to match the color of the PVC downspouts. Other.		\$767.00

TOTAL CHANGE ADDITION \$11,124.00

ADJUSTED CONTRACT PRICE AFTER APPROVAL \$1,813,248.68

All interested parties are hereby notified that the Change Order listed above shall apply to Contract No. 1497B heretofore issued by the Public Building Commission.

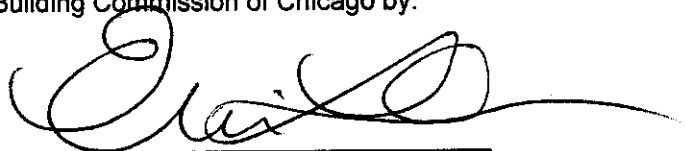
All parties shall apply the change as indicated above.

Resolution Number 7569

Changes as specified above authorized for the Public Building Commission of Chicago by:



Reviewed By



Executive Director

PUBLIC BUILDING COMMISSION OF CHICAGO

CHANGE ORDER

Michael Reese Hospital Demolition

2929 S. Ellis

October 1, 2010

Heneghan Wrecking Company

1321 W. Concord Place

Chicago, Illinois 60622

CHNG	BULL	CONTRACT NUMBER 1490-01	
ORDR	NUM	ORIGINAL CONTRACT PRICE	\$3,194,300.00
NUM		APPROVED CHANGE ORDERS	\$ 742,109.33
ADJUSTED CONTRACT PRICE TO DATE			\$3,936,409.33
006	1490-01-8H	Asbestos abatement of unforeseen asbestos spray on fire-proofing in Building 7. Differing Site Conditions.	\$97,000.00

TOTAL CHANGE ADDITION

\$97,000.00

ADJUSTED CONTRACT PRICE AFTER APPROVAL

\$4,033,409.33

All interested parties are hereby notified that the Change Order listed above shall apply to Contract No. 1490-01 heretofore issued by the Public Building Commission.

All parties shall apply the change as indicated above.

Resolution Number 7569

Changes as specified above authorized for the Public Building Commission of Chicago by:



Reviewed By



Executive Director

NOTICE OF AWARD
OCTOBER 2010

"EXHIBIT C"

REQUEST FOR SERVICE \$25,000 & UNDER				
Project Name	Service	M/WBE	Firm	\$ Total
Southwest Area High School	Community Hiring Program Consulting Services		Universal MazJac Enterprises, Inc.	\$ 10,000.00
PBC Administration	Purchase of color printer supplies		CDW-G	\$ 7,000.00

NOTICE OF AWARD
OCTOBER 2010

"EXHIBIT D"

TASK ORDERS AWARDED AGAINST TERM CONTRACTS (2/2010)				
Project Name	Service	M/WBE	Firm	\$ Total
Collins Campus Renovation Project	Survey Services		Terra Engineering, Ltd	\$ 23,800.00
Powell Replacement Elementary School	Environmental -Category A, B,C		Mactec Engineering and Consulting, Inc.	\$ 19,000.00
Engine Company 16	Environmental -Category A, B,C		Environmental Protection Industries	\$ 61,462.18
Marshall Campus Park	Environmental -Category A, B,C	MBE	GSG Consultants, Inc.	\$ 69,800.00
Marvin Camras Elementary School	Construction Material Testing Services		Terracon Consultants, Inc.	\$ 5,504.00
Langston Hughes Elementary School	Construction Material Testing Services		Flood Testing Laboratories, Inc.	\$ 13,948.86
Marshall Campus Park	Construction Material Testing Services	MBE	GSG Material Testing Inc.	\$ 46,405.00
Engine Company 109	Construction Material Testing Services		Terracon Consultants, Inc.	\$ 3,842.50
Engine Company 16	Commissioning Authority Services	Non-M/WBE/WBE JV	SSRCx/CCI, LLC J.V.	\$ 60,990.00

SPECIALTY CONTRACTS (8/2007)				
Project Name	Service	M/WBE	Firm	\$Total
Haas Park Field House	Survey -Additional Services		Gremlay & Biedermann	\$ 1,050.00

Surveying (Not to Exceed \$50,00.00 per award)
Phase I Environmental (Not to Exceed \$50,000.00 per award)
Phase II Environmental (Not to Exceed \$250,000.00 per award)
Environmental Design (Not to Exceed \$50,000.00 per award)
Commissioning (Not to Exceed \$125,000.00 per award)
Material Testing (Not to Exceed \$150,000.00 per award)

Public Building Commission of Chicago

2011 Administrative Budget

RICHARD M. DALEY Chairman

BISHOP ARTHUR BRAZIER

Treasurer

ADELA CEPEDA

DR. ROBERT B. DONALDSON II

BENJAMIN REYES

MARY RICHARDSON-LOWRY

CYNTHIA M. SANTOS

SAMUEL WM. SAX

TODD H. STROGER

GERALD M. SULLIVAN

BRYAN S. TRAUBERT

ERIN LAVIN CABONARGI
Executive Director

JOHN E. WILSON
Assistant Treasurer

PATRICK J. HARNEY
Assistant Secretary

Available upon
request

"EXHIBIT E"

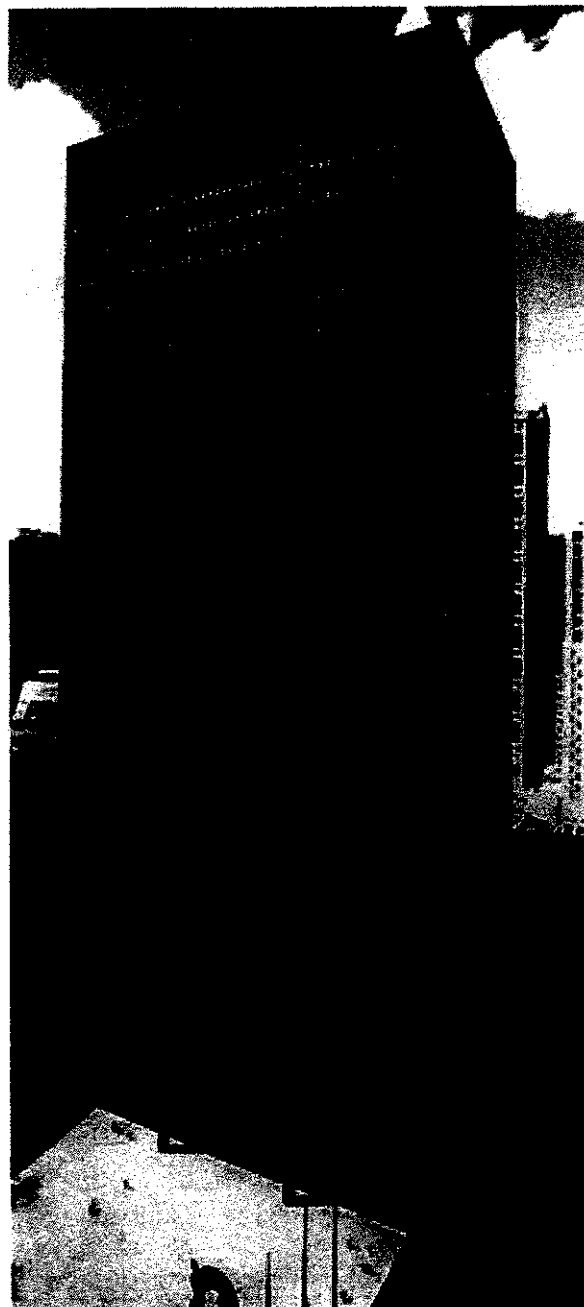
Proposed October 1, 2010

"EXHIBIT F"

Available upon
request.

RICHARD J. DALEY CENTER

2011 OPERATING AND CAPITAL BUDGET



PREPARED BY MB REAL ESTATE SERVICES, LLC