

PUBLIC BUILDING COMMISSION OF CHICAGO
MINUTES OF THE ADMINISTRATIVE OPERATIONS COMMITTEE
MEETING HELD ON OCTOBER 30, 2014

The meeting of the Administrative Operations Committee of the Public Building Commission of Chicago was held in the 2nd floor Board Room at the Richard J. Daley Center on October 30, 2014 at 2:00 p.m.

The following Committee members were present:

Chairman Dr. Brazier
Commissioner Arnold Randall
Commissioner Jose Maldonado

Also present were:

Erin Lavin Cabonargi
Paul Spieles
Terri Haymaker
Mary Pat Witry
Lori Lypson
Eileen Ryan
Lisa Giderof
Daryl McNabb
Ivan Hansen
Molly Sullivan
Nikki Bravo
Raven Devaughn
Art Del Muro
Ilyas Lakada
Patricia Montenegro
Langdon Neal, Neal & Leroy

The reading of the minutes of the September 19, 2014 Administrative Operations Committee meeting which was previously distributed, was dispensed with. Upon motion duly made and seconded the minutes of said meeting were unanimously adopted.

Pursuant to Section 2.06(g) of the Open Meetings Act, a public comment period was held. No comments or statements were presented by any persons.

The Executive Director advised the AO Committee regarding the IEPA Municipal Brownfields Redevelopment Grant Agreement and Intergovernmental Agreement (IGA) with the City of Chicago. The grant will provide \$120,000 in funds to pay a portion of the cost of environmental remediation of the Southeast Area Elementary School Site. Approval to enter into the IGA will be requested at the November 12, 2014 Board meeting. The Executive Director reported on the proposed schedule of Administrative Operations Committee Meetings for 2015 and presented the following 2014 Q3 Staff Reports: Executive Summary Report; Program Cost Performance Report; Program Cost Effectiveness Report; Active Project Status Report; Environmental Sustainability Report; and Economic Sustainability Report and summarized highlights of the various reports. The Program Cost Status Report showed current program authority in excess of \$2.8 billion in project development costs for 2014 Q3, with projects trending

under budget by 10.19% representing a variance of approximately \$288 million under the current budgets. For Q3 2014, the PBC's budget to actual variance for active capital construction projects is less than 1%. The Program Cost Effectiveness Report shows change orders for projects recently completed and those currently in construction is 2.4%. The projected change order percentage for such projects is 3.1%, which rates are within the industry standard change order percentage of 3-5%. PBC's Indirect Costs average 16.29%, of construction costs, below the industry average of 25%. For large projects in excess of \$50 M, indirect costs average 13.54%. The Q3 2014 Project Status Report provided a detailed snapshot of each active PBC project. The Environmental Sustainability Report through Q3 2014 indicated that PBC has achieved LEED Certification on 2 new projects for a total of 66 municipally-owned projects with LEED Certification, with an additional 17 registered projects. The Economic Sustainability Report for M/WBE participation and Workforce (Equal Employment Opportunity) goals for five construction contracts for four projects was completed in 2014 (Bell Elementary School, John C. Coonley Elementary School Addition, Albany Park Branch Library, and William Jones College Preparatory High School Renovation (Phases I and II) showed a total M/WBE Participation Achieved to date on General Construction and Professional Service contracts of 38.20%.

The Executive Director's reports were accepted.

Next a report was presented by the PBC's Director of Finance, Daryl McNabb regarding the Q3 2014 Richard J. Daley Center Budget and the Q3 2014 PBC Administrative Expense Budget. He advised the Commissioners regarding variances in the Daley Center Budget on various categories including Repairs and Maintenance, Utilities Expense and Administrative Expenses. Factors contributing to such variances were discussed by Director McNabb. Director McNabb also discussed the Q3 results for the PBC Administrative Expense budget in comparison to the projections for the full year of 2014 previously provided as well as the budgeted amounts recently authorized for 2015. Finally, Director McNabb discussed the refinancing of the Daley Center Tax Exempt Lease Purchase Agreement (TELPA) loan in the amount of \$5,858,928 associated with the Guaranteed Energy Performance Contract (GEPC) for the Richard J. Daley Center Energy Savings Program. The improvements financed by the loan are projected to result in annual operating savings. The lease financing was purchased by Capital One, LLC and it is offering a refinancing opportunity at 3.87% maintaining the original maturity date of September 1, 2025. The refinancing will result in approximately \$33,000 in annual reduction in financing payments.

The AO Committee accepted the reports provided by the Director of Finance

Next, the Chief Operating Lori Lybson reported on Task Order awards to Specialty Consultants as follows;

Environmental ABC Services

Edwards ES Annex	Pioneer Engineering	\$55,098.00
------------------	---------------------	-------------

Environmental Renovation/Demolition

Canty ES Annex	Carnow, Conibear	\$30,193.75
Edwards ES Annex	Environmental Consulting, Group	\$29,900.00
Jones College Prep Phase II	Carnow, Conibear	\$11,755.00

Material Testing

Henderson ES	AECOM Technical	\$5,400.00
Lincoln ES Annex	Terracon Consultants, Inc.	\$54,716.00
CVCA – Phase I	GSG Material Testing, Inc.	\$349,250.00
Traffic Study		
Canty ES Annex	Infrastructure Engineering	\$14,828.00
Edwards ES Annex	Civil Tech Engineering	\$14,000.00
Jamieson ES Annex	Terra Engineering	\$16,906.00
Lincoln ES Annex	Traffic Analysis & Design	\$2,330.00
Clarendon Hills – Prospect Ave.	Terra Engineering	\$53,460.00

The Chief Operating Officer also recommended the appointment of Berglund Construction as Construction Manager for the Edwards Elementary School Annex for a negotiated fee not to exceed 2.5% of the work and Pre-Construction Services in an amount not to exceed \$134,440.00. The Chief Operating Officer also made a recommendation for the appointment of Design Architect Services – to FGM Architects, Legat Architects and SMNGA in an amount not to exceed \$3,000,000 each for three years with two additional one year options

The reports were accepted.

The Chief Development Officer Paul Spieles provided a recommendation to approve the following amendments;

1. Midwest Office Interiors Albany Park Branch Library \$13,631.22
2. Wallin Gomez Architects (AOR) Oriole Park Elementary School \$45,540.00

The Chief Development Officer advised the AO Committee that the following change orders were issued;

1. Wight Construction Bell Elementary School Addition (\$98,511.54)credit
2. Peck Elementary School F.H. Paschen/SN Nielsen & Assoc. (\$250,122.84)credit
3. Jones College Prep HS Walsh Construction \$134,636.17.

The Chief Development Officer also advised the AO Committee that the following field orders were issued;

Chicago Children's Advocacy Center Addition

Current Contract Value: \$7,145,034.00 Commission's Contingency Balance: \$123,538.00

FO 02010/2/2014	\$11,700.00	Pendant light fixture revisions at Break Area and above Lobby (Other)
FO 021 10/2/2014	\$0.00	Revision to (50) type F5 fixtures at Corridor (Other)
FO 023 10/16/2014	\$5,850.00	Investigate, trace, and document electrical circuits extended from existing building to addition (Differing Site Condition)

Total: \$17,550.00

Albany Park Branch Library Contractor: C1550 - Wight Construction Services, Inc.

Current Contract Value: \$8,129,113.74 Commission's Contingency Balance: \$123,538.00

FO 028 9/18/2014	\$1,590.84	Furnish and install a card reader at abandoned keypad location at staff entrance (E/O Type B)
------------------	------------	---

Total: \$1,590.84

08150 Chinatown Branch Library Design Builder: PS1953 Wight & Company
Current GMP Value: \$10,411,836.00 Commission's Contingency Balance: \$100,000.00
FO 003 10/16/2014 \$42,000.00 Furnish and install concrete topping, metal framing, and additional metal decking to construct the built up "domed" roof at the sky light in lieu of the flat roof (Other)

Total: \$42,000.00

05620 Chicago Vocational Career Academy Phase I

Contractor: C1557 - Sollitt / Oakley Joint Venture

Current Contract Value: \$55,764,000.00 Commission's Contingency Balance: \$1,299,610.00

FO112S 9/18/2014 \$0.00 Project Work Allowance unit price schedule modifications (Other)

FO 034S 10/16/2014 \$28,270.00 Modifications to Jacked Pier Underpinning at Area C only (Differing Site Conditions)

FO 120S 10/23/14 \$18,152.00 Modify Air Handling Units (AHUs) to enclose/seal all plenum walls, ceilings, and openings (Differing Site Conditions)

Total: \$46,422.00

The Chief Development Officer's reports were accepted.

Next was an approval to convene an Executive Session under 2(c)11 of the Open Meeting Act to discuss potential litigation.

During Executive Session, the AO Committee was advised by Legal Counsel regarding proposed settlements pursuant to Job Order Contract No. 1463 and Contract No PS1007.

At the conclusion of Executive Session, the meeting was reconvened and the report was accepted.

The meeting was adjourned.