

**PUBLIC BUILDING COMMISSION
MINUTES OF THE ADMINISTRATIVE OPERATIONS COMMITTEE MEETING
SEPTEMBER 25, 2025**

Public Building Commission of Chicago | Richard J. Daley Center | 50 West Washington Street, Room 200 | Chicago, Illinois 60602 | (312) 744-3090 | pbcchicago.com

The Administrative Operations Committee of the Public Building Commission of Chicago held a meeting on September 25, 2025, at 1:00 p.m., at the Richard J. Daley Center, 2nd floor Boardroom. The meeting was live streamed.

The following Committee members were present:

Chairman Jose Maldonado
Commissioner Arnold Randall

Also present:

Ray Giderof, Executive Director

James Borkman
Patrice Doyle
Tanya Foucher-Weekley
Lisa Giderof
Gabriela Herrera, Neal and Leroy
Gina Johnson
Rudy Manning (remote)
Patricia Montenegro
Bryant Payne (remote)
Mary Pat Witry

The reading of the minutes from the Administrative Operations Committee meeting held on September 5, 2025, which had been previously distributed, was dispensed with. Upon motion duly made and seconded, the minutes 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.

The Executive Director reported that the PBC is pleased to present the proposed 2026 PBC Administrative Budget and the proposed 2026 Richard J. Daley Center Operating and Capital Budget. The budgets reflect a positive outlook for the PBC. As previously reported, 2025 has been a year of continued momentum, marked by new and enhanced partnerships. In collaboration with its partners, the PBC has created opportunities that are reshaping communities. The PBC values the Chairman's leadership, the support and guidance of the Board of Commissioners, the ongoing collaboration with municipal partners, and staff's unwavering commitment to excellence.

The Executive Director reported that the PBC is proposing a balanced budget for fiscal year 2026.

With the continued support of the Chairman, the Board of Commissioners, and municipal partners, PBC's projected Work-in-Place for 2026 is trending upward. Projects currently in the procurement, planning and design phases demonstrate the agency's work and commitment to long-term investments throughout Chicago and Cook County.

The PBC has a diversified portfolio of investments across the city's communities. This approach strengthens resilience, mitigates risk, and introduces new opportunities for sustainable growth.

The Executive Director thanked the entire PBC staff for their unwavering work and resilience and named each as follows; Debra, Qualandras, Frank, Rudy, Jesse, Kim, Patty, Miguel, Minnie, Bria, Randy, Kerl, Gina, Ivan, Tammy, John, Tanya, Lisa, Bryant, Patrice, James, Mary Pat, and Genise.

The Executive introduced the Director of Finance, Tanya Foucher-Weekley, to present the proposed 2026 PBC Administrative Budget and the proposed 2026 Daley Center Operating and Capital Budget.

The Director of Finance first reported on the 2026 PBC Administrative Budget. The Director of Finance reported that over the last year the PBC has gained significant momentum and took the time to reset and reenergize the organization. Because of these efforts and initiatives, the PBC is proud to present a Work in Place (WIP) projection that reflects a diverse portfolio of investments across both new and renewed sectors.

The Director of Finance reviewed the presentation, starting with the projected WIP, broken down by municipal partner. The chart demonstrates how the PBC's work continues to expand across a broader set of agencies. The Director of Finance reported that throughout 2025, the PBC's project pipeline has seen growth, allowing the PBC to project \$191 million in WIP for 2026 and anticipates further growth in 2027 and 2028 to strengthen the PBC's outlook.

The Director of Finance reported from fiscal year 2024, the PBC successfully closed the deficit balance from the prior two years. Looking ahead, the PBC is projecting a balanced budget for fiscal year 2025 and 2026, with a surplus that will help rebuild the reserves.

The Director of Finance reported that the PBC has worked diligently to ensure that the proposed 2026 Administrative Budget remains relatively flat. The proposed 2026 Administrative Budget is \$8,752,638, which is a 2% increase or \$177,467 from the 2025 budget.

Next the Director reported on key areas of the 2026 Administrative Budget;

- Reduction in professional services fees, partially attributed to the procurement of a new auditor for the PBC.
- The general insurance budget for the PBC has decreased but the Daley Center insurance has increased.
- Increase in office and other administrative expenses, due to aging equipment requiring upgrades.
- Personnel services remain flat, with a 1% increase.
- Contingency remains flat.

The Director of Finance reported that the PBC anticipates that the available resources for 2026 will meet the projected expenses, keeping the PBC in a strong and responsible fiscal position.

In conclusion, the Director of Finance emphasized the PBC's commitment to upholding high standards, delivering impactful projects and ensuring that the agency continues to be a model of fiscal responsibility and effective public service.

Commissioner Randall asked about the decrease in medical insurance and retirement contributions. The Director of Finance responded that the cost is split with the staff and employer for medical insurance coverage and reports that the amount is less than last year's budgeted amount, which accounts for the projected 2026 decrease. The Director also described the retirement contributions for both municipal employees and participants in the PBC retirement plan.

Next, the Director of Finance presented the 2026 Operating and Capital Budget for the Richard J. Daley Center (Daley Center). The budget is prepared in conjunction with the Property Manager for the Daley Center, Transwestern Commercial Services.

The Daley Center's total 2026 Operating Expense Budget is \$22,598,060 and reflects an increase of 3.85% over the 2025 budget of \$837,271. The increase in operating expenses is primarily a result of building repairs, utility expenses and higher electricity costs, due in part to the Carbon Free Energy Resource.

2026 Capital Improvement Projects for the Richard J. Daley Center include;

- Design of Springfield boiler replacement
- Relining the building cooling towers
- Fire pump replacement
- Chiller isolation valve replacement
- Water heater upgrades

The Capital Improvement Plan for 2026 totals \$2,025,000, which represents approximately a \$1.7 million decrease from the 2025 Capital Improvement Plan Budget.

The Director of Finance reported on the Operating Expense Allocation among tenants for 2026, based on the square footage of space leased.

Cook County – 94.92%

City of Chicago – 0.344%

Public Building Commission 2.985%

Illinois Liquor Control Commission – 0.739%

Illinois Workers Compensation Commission 1.008%

Other budget variances that exceed 5% within the Capital Budget include;

- \$14,550 increase in other income due to additional plaza usage for events.
- \$159,450 decrease in income from services resold, related to projected steam usage.

- \$224,320 increase in utility expense, due to increase in electricity costs. Similar increase in cleaning expense, due to union wage increases.
- \$188,303 decrease in security expense, due to discontinuation of tower disinfection team.
- \$232,266 increase in general building repairs, due to increased contingency to replace equipment.

The AO Committee accepted the reports from the Director of Finance.

The Director of Procurement reported on a task order award for Specialty Consultant Services for Environmental Renovation/Demolition Services to TEM Environmental, Inc. in the amount of \$51,018.00 for the Department of Water Management New Facility (Lawrence Avenue) Project. A task order award for Geotechnical Investigation and Reporting Services to Terracon Consultants, Inc. in the amount of \$63,384.00 for the Bronzeville Regional Senior Center Project. Task Order Awards for Traffic Study Services to DAMA Consultants, Inc., MBE firm, in the amount of \$35,767.00 for the Department of Water Management New Facility (Lawrence Avenue) Project and to Thomas Engineering Group, LLC, in the amount of \$39,853.00 for the Bronzeville Regional Senior Center Project. Task order award for Construction Material Testing and Inspection Services to Princeton Technical Services, Inc., MBE, in the amount of \$35,980.00 for the CIP – Central Hearing Facility Roof & MEP Upgrades Project.

The AO Committee accepted the report provided by the Director of Procurement.

The Executive Director provided a recommendation to ratify a Change Order in the total credit amount of (\$1,018,101.82) for the CDOT Works Progress Administration Reconstruction Project at West 100th Street / South Homan Avenue / South Short Street. The Change Order is to deduct unused Commission's Contract Contingency at all locations and for the reconciliation of the schedule of prices across all locations.

Commissioner Randall requested an explanation of the reconciled schedule of prices. The Executive Director responded that the work was procured on behalf of CDOT through a unit price contract. Each contract includes a certain amount based on the submission of the bidder. As the work is completed, staff will verify and measure quantities and those quantities are reconciled and verified and the difference between those amounts is the schedule of price change order value.

The Executive Director reported on regular reports, development status and other matters as follows.

On September 10th, the PBC attended the 20th Annual Business Conference hosted by the Illinois State Black Chamber of Commerce, a PBC assist agency. The PBC participated, with Aviation Commissioner Michael McMurray, Chief Procurement Officer Sharla Roberts, and Illinois Capital Development Board Executive Director TJ Edwards in a segment, *Unlocking Procurement Opportunities*. It was an engaging conversation to strengthen the pipeline of diverse suppliers to ensure businesses are equipped with the knowledge and access needed to compete.

On September 11th, the PBC hosted a well-attended Pre-Submission Conference in conjunction with a Request for Proposals for Project Development Services for the PBC. Proposals are due on October 7, 2025.

On September 11th, the PBC joined 19th Ward Alderman Matt O'Shea at a community meeting for the CDOT Works Progress Administration (WPA) Street Reconstruction Project in the vicinity of 114th Street from South Rockwell to Western Avenue. The PBC will continue work closely with the Alderman and community members to maintain open lines of communication throughout the duration of the project.

On September 13th, the PBC was honored to join Mayor Brandon Johnson, 3rd Ward Alderman Pat Dowell, Family and Support Services Commissioner Angela Green, representatives from 2FM, along with hundreds of excited Chicago seniors, to announce the development of the new Bronzeville Regional Senior Center, located at 4711-4755 South Calumet Avenue.

On September 17th, the PBC presented at the monthly meeting of the African American Contractors Association, an assist agency to the PBC. PBC shared the details of current and upcoming procurement opportunities during this networking event.

On September 18th, as part of PBC's ongoing Student Employment Initiative, the PBC hosted an orientation session for students enrolled in Chicago Public Schools' Chicago Builds Program. Chicago Builds is a citywide, two-year, off-campus construction training initiative for high school juniors and seniors interested in pursuing careers in the construction industry after graduation. The PBC hosted 76 students at the Daley Center to provide an opportunity for them to explore meaningful career pathways in all aspects of public development, including but not limited to design, engineering, construction, and program management. The Executive Director thanked President Harden, President Steele, Commissioner Maldonado and his colleague Lucia, with the Mid America Carpenters Training Center, for their support and participation. Additional details will be provided at the October Board Meeting.

On September 22nd and 24th, virtual Community Hiring events were held for CDOT Works Progress Administration (WPA) Street Reconstruction projects and Capital Alley projects for twenty-two project locations.

On September 25th, the PBC presented at the meeting with the U.S. Minority Contractors Association, an assist agency to the PBC. The forum allowed the PBC to inform the members regarding upcoming opportunities.

The AO Committee accepted the reports from the Executive Director.

The meeting was adjourned.