

**PUBLIC BUILDING COMMISSION OF CHICAGO**  
**MINUTES OF THE ANNUAL MEETING OF THE**  
**BOARD OF COMMISSIONERS HELD ON OCTOBER 8, 2009**

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 8, 2009 at 2:30 P.M.

The following Commissioners were present:

Richard M. Daley, Chairman  
Arthur M. Brazier  
Adela Cepeda  
Gery J. Chico  
Robert B. Donaldson  
Benjamin Reyes  
Samuel Wm. Sax  
Michael W. Scott

The following Commissioners were absent:

Cynthia M. Santos  
Todd Stroger  
Gerald M. Sullivan

Also present were:

Erin Lavin Cabonargi

M. Beam  
D. Burton  
V. Calb  
B. Campney  
K. Candela  
R. Castillo  
L. Daly  
M. Dempsey  
T. Fagan  
T. Foucher-Weekley  
A. Fredd  
B. Fuller  
A. Garcia-Abner

L. Giderof  
R. Giderof  
R. Gil  
P. Harney  
J. Hartman  
T. Haymaker  
K. Holt  
J. Jack  
D. Jackson  
E. Johnson  
L. Ketterl  
T. Later  
E. Manning  
D. McNabb  
J. Meeks  
L. Neal  
J. Plezbert  
K. Purcell  
B. Quinn  
G. Rodriguez  
O. Ruffin  
B. Sandner  
K. Smith  
E. Soto  
P. Spieles  
J. Stein  
J. Vanek  
D. Vasudevan  
J. Wilson  
I. Worrell  
D. Youngman

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

The reading of the minutes of the September 8, 2009 meeting, which had previously been distributed, was dispensed with and upon motion duly made and seconded the minutes of said meeting were unanimously adopted.

Next was the administration of the oath of office to Arthur M. Brazier, appointee of the City of Chicago, as a Commissioner of the Public Building Commission of

Chicago for a term ending September 30, 2014. Upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 7395

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby accept the appointment of Arthur M. Brazier, appointee of the City of Chicago, as board member of the Public Building Commission of Chicago for a term ending on September 30, 2014 or until his successor is appointed.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

Next was the administration of the oath of office to Adela Cepeda, appointee of the City of Chicago, as a Commissioner of the Public Building Commission of Chicago for a term ending September 30, 2014. Upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 7396

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby accept the appointment of Adela Cepeda, appointee of the City of Chicago, as board member of the Public Building Commission of Chicago for a term ending on September 30, 2014 or until her successor is appointed.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

The Board of Commissioners was next presented with the nomination and election of officers for terms ending September 30, 2010, 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 2008 Annual Report. The annual report through pictures and personal comments from the Chairman and Executive Director highlights the function and/or role of the Public Building Commission. Commendations were extended by the Executive Director to the Public Building Commission staff and Avis LaVelle Consulting for the outstanding job performed on the annual report. The report was accepted.

Commissioner Brazier next presented to the Board of Commissioners a report of the Audit Committee meeting held on September 24, 2009 which is summarized as follows:

- ◆ **Management Letter for 2008 Audit** – Deloitte & Touche, LLP (“Deloitte”) that no material weaknesses were being reported in the 2008 Financial Statements and that there had been significant improvement in the preparation of the financial statements over years past. Deloitte recommended completing a monthly close as another improvement in financial reporting and Management reported its plans to perform a closing at the end of the third quarter of 2009 and subsequently at the end of each month thereafter. Interim financial statements will then be provided to the Audit Committee and the Board on a quarterly basis.
- ◆ **Status of Fraud Risk Assessment** – Fraud Risk Assessments are currently being performed in such areas as Finance, Administration, Development and Construction, Planning, Human Resources and M/WBE. After staff discussions on how fraud risk issues are inter-related among these sections a final report will be drafted and presented to the Audit Committee.
- ◆ **Status Update on Quarterly Reviews of Internal Control** – Prado & Renteria, will perform quarterly reviews of internal control in response to the Management letter associated with the 2006 Audit. Prado & Renteria described its plan to assess the PBC’s internal control and follow-up activities. The audit plan will be submitted for review at a future Audit Committee meeting.

- ◆ **Report on Investment Income** – An update was provided regarding investment income. PBC investment policies and practices have been appropriately conservative, investing in a combination of U.S. treasuries and money market funds. Interest income is consistent with market wide decline and comparable to that of other local government agencies. PBC's recommended Administrative Expense budget for 2010 includes funding for an investment advisor to ensure that PBC's funds remain prudently invested.
- ◆ **Approval of Proposed Fees for 2009 Audit** – Following discussion, the Audit Committee approved the appointment of Deloitte to prepare the Basic Financial Statements for year ended December 31, 2009 and provide an Independent Auditor's Report for a base fee of \$200,000, plus \$7,500 to assist PBC with the issuance of a comprehensive annual Financial Report (CAFR).

The report of the Audit Committee was accepted.

Next, Commissioner Michael Scott presented a report regarding the Administrative Operations (AO) meeting held on September 24, 2009 which is summarized as follows:

- ◆ **Pending Bid Openings** – The AO Committee was advised that West Humboldt Park Branch Library and Greater Grand Crossing Branch Library were scheduled for bid openings on September 24, 2009 and September 25, 2009, respectively. They were also advised that trade subcontracts for Earth Retention and for Caissons for the Ogden Elementary School Projects had been publicly advertised and would be recommended for award and assignment to Turner Construction Company as Construction Manager at Risk at the October meeting.
- ◆ **Field Orders and Proposed Change Orders** – The AO Committee accepted the report concerning Field Orders issued for the following projects: South Water Purification Plant; Langston Hughes Elementary School; Southwest Area Middle School; Avondale Irving Park Elementary School; Lee Pasteur Are Elementary School; Beverly Branch Library; Taylor Lauridsen Field House; and Jesse Owens Field House. The AO Committee accepted the report recommending approval of change orders for South Water Purification Plant, Fire Station Engine Company 102, Taylor Lauridsen Field House, South Shore High School, and 23<sup>rd</sup> District Police Station.
- ◆ **Pre-qualification of General Contractors** – The AO Committee was presented with a list of all firms that had submitted qualifications for the Gateway Harbor Project, the 31<sup>st</sup> Street Harbor (Landside/Marina Project), and for the 31<sup>st</sup> Street Harbor (Coastal Project) and advised that evaluations were still being conducted and the recommendation would be ready for the Board meeting.

- ◆ **Specialty Consultants** – The Chief Operating Officer advised the AO Committee that since the inception of the program, 47% of Specialty Consultant awards had been made to MBE firms, 15% to WBE firms and 80% to firms located in the City of Chicago. He also recommended that the following enhancements to the Specialty Consultant program:

- Add three new Specialty categories: Traffic Studies, Geotechnical Consulting and Lead and Asbestos Abatement
- Award board-approved term agreements rather than multiple contracts
- Ensure equitable distribution of work by rotating assignments of Specialty Consultant services
- Establish MBE and WBE goals in each Specialty category and ensure that the goals are met alternating project assignments between MBE, WBE and non-MBE/WBE Specialty Consultants as necessary to ensure that the running total of Specialty Consultant awards in the category is always at least 25% MBE and 5% WBE (or such higher MBE/WBE goal as has been established)

The AO Committee accepted the Notice of Awards report to the following specialty consultants:

**Survey Services**

Police District (PD-12) to Environmental Design International Inc.  
Bontemps Campus Park to Tecma associates, Inc.

**Phase II Environmental Site Assessment**

Ogden Elementary School to GSG Consultants Inc.

**Phase II Environmental Site Assessment – Additional Services**

23<sup>rd</sup> District Police Station to Kowalenko Consultants  
South Shore High School to GSG Consultants Inc.

**Environmental Design Services**

Ogden Elementary School to GSG Consultants Inc.

**Construction Material Testing Services**

Little Village Library to GSG Material Testing  
23<sup>rd</sup> District Police Station to American Geoen지니어ing Inc.

- ◆ **Professional Services Awards** – The AO Committee accepted the recommendation to appoint Geosyntec to perform geotechnical investigation, evaluation and design for Ogden Elementary School and also accepted the recommendation to appoint Farr

Associates to research and develop a design guideline specific to water harvest and reuse on behalf of PBC.

- ◆ **Daley Center Property Manager** – The AO Committee accepted the report to extend for two years the contract of MB Real Estate, LLC to perform property management services for the Richard J. Daley Center. The initial award was 2006, for three years, with an option to extend for up to two years.
- ◆ **Report by the Director of Finance** – The Property Manager provided a report on the proposed 2010 Daley Center Operating and Capital Budgets, totaling \$15,649,264 and \$7,893,000, respectively. Based on the Building Owners and Managers Association Experience Exchange Report, the Daley Center is competitive compared to comparable buildings in the Chicago Central Business District. There was an 8.32% decrease from 2009 in the operating budget and a 26% decrease from the 2009 capital budget. Five proposed capital projects during 2010 were summarized. The AO Committee accepted the report.

The Director of Finance presented the \$20,613,722 proposed Administrative Expense budget for the PBC for 2010 by showing graphically how PBC construction activity continues to increase, peaking in 2010 at \$522 million. The AO Committee accepted the report.

- ◆ **Report by Legal Counsel** – Legal Counsel advised the AO Committee that PBC's current M/WBE program would expire on October 31, 2009 unless the Commission found that there was a compelling need to continue the program. A report commissioned by the City of Chicago concluded that there is a continuing need for the PBC's M/WBE program to address the effects of racial and gender discrimination in construction. The AO Committee accepted Legal Counsel's recommendation to extend PBC's M/WBE program until December 31, 2015 with an interim review by December 31, 2012 and other revisions to conform to the City of Chicago Municipal Code and authorization for the Executive Director to establish administrative rules and regulations to implement the program.

Legal Counsel also advised the Commissioners that Starbucks Inc. had requested a second amendment to its lease of approximately 750 square feet of space located on the concourse level of the Daley Center for an additional term of 2 years. The proposed lease amendment was approved by the AO Committee.

- ◆ **Report on Proposed Amendments to Professional Services Agreements** - 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. 7397

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 as set forth 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,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 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". There was extensive discussion concerning prior approved change orders specific to site preparation for the South Shore High School. The matter was referred to the Errors and Omissions Committee and Legal Counsel for further investigation and report to the Board of commissioners. Upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 7398

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,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

The next item presented to the Commissioners was the Notice of Awards report. There were 18 items included on the notice of contracts awarded since the previous board meeting that were under \$25,000. It was noted for the record that Commissioner Chico abstained from approval of the award of services issued to GSG Consultants, Inc. for the 23<sup>rd</sup> District Police Station project. 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 8 items included on the notice of contracts awarded to specialty consultants since the previous board meeting. It was noted for the record that Commissioner Chico abstained from approval of the award of contract issued to GSG Consultants, Inc. for Ogden Elementary School for Phase II Environmental Services and Environmental Design Services, and South Shore Replacement High School, and to GSG Material Testing for the Little Village Library. The report was accepted following discussion and consideration and a copy of this report is attached hereto as Exhibit "D".

The Board of Commissioners was next presented with consideration of approval of the appointment of Deloitte & Touche LLP as independent auditor to perform the annual audit of the Public Building Commission for years ending December 31, 2008 and December 31, 2009. Upon motion duly made and seconded, the following resolution was adopted.

RESOLUTION NO. 7399

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby approve the appointment of Deloitte & Touche LLP, an independent accounting firm, to provide

professional services for the Public Building Commission's annual audit for calendar years ending December 31, 2008 and December 31, 2009 for a base fee of \$200,000, plus \$7,500 to assist with the issuance of a Comprehensive Annual Financial Report (CAFR).

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

The next agenda item presented by the Executive Director to the Board of Commissioners was a report concerning the Public Building Commission's various 2010 administrative budgets. After discussion and consideration and upon motion duly made and seconded, the proposed 2010 Public Building Commission of Chicago Consolidated Administrative Expense Budget and the 2010 Individual Administrative Expense Budgets as required by the several bond resolutions were approved and are attached hereto collectively as Exhibit "E":

RESOLUTION NO. 7400

BE IT RESOLVED by the Board of Commissioners of the Public Building Commission of Chicago that the 2010 Consolidated Administrative Expense Budget and the 2010 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,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

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

RESOLUTION NO. 7401  
2010 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 2010:

	<b>1990A</b>
Personnel Services	\$ 126,803
Insurance	15,935
Legal	10,378
Professional Services	15,652
Rent/Leasehold Improvements	15,668
Office Supplies & Other Admin. Items	16,029
Program Mgmt. Office	99,536
<b>Total</b>	<b>\$ 300,000</b>

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

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

RESOLUTION NO. 7402  
2010 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 2010:

	1990B
Personnel Services &	\$ 10,567
Insurance	1,328
Legal	865
Professional Services	1,304
Rent/Leasehold	
Improvements	1,306
Office Supplies &	
Other Admin. Items	1,336
Program Mgmt. Office	8,295
<b>Total</b>	<b>\$ 25,000</b>

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

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

RESOLUTION NO. 7403

2010 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 2010:

	1993A
Personnel Services	\$ 507,210
Insurance	63,741
Legal	41,512
Professional Services	62,607
Rent/Leasehold	
Improvements	62,671

Office Supplies &	
Other Admin. Items	64,114
Program Mgmt. Office	398,145
<b>Total</b>	<b>\$ 1,200,000</b>

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

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

RESOLUTION NO. 7404

2010 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 2010:

	1998A (1993C)
Personnel Services	\$ 63,401
Insurance	7,968
Legal	5,189
Professional Services	7,826
Rent/Leasehold	
Improvements	7,834
Office Supplies &	
Other Admin. Items	8,014
Program Mgmt. Office	49,768
<b>Total</b>	<b>\$ 150,000</b>

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 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:

RESOLUTION NO. 7405

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby adopt the following Administrative Expense Budget for 2010 for that portion of its activities and related expenses properly chargeable to PBC fees, Restricted Net Assets and direct allocation to various project accounts:

	<b>PBC Fees &amp; Direct Allocation</b>
Personnel Services &	\$ 7,582,256
Insurance	952,863
Legal	620,557
Professional Services	935,911
Rent/Leasehold	
Improvements	936,859
Office Supplies &	
Other Admin. Items	958,437
Program Mgmt. Office	5,951,839
Contingency	1,000,000
<b>Total</b>	<b>\$ 18,938,722</b>

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

The Board of Commissioners was next presented with consideration of approval of the proposed amendment regarding PBC's Remedial Program for Utilization of Minority Business Enterprise (MBE) and Women Business Enterprise (WBE) and Economically Disadvantaged Firms, attached hereto as Exhibit "F", (previously approved October 2004 and February, 1992). After discussion and consideration and upon motion duly made and seconded, the resolution attached hereto as Exhibit "F" was adopted:

RESOLUTION NO. 7406

Amended Resolution Authorizing Remedial Program for  
Utilization of Minority Business Enterprise ("MBE"), Women Business  
Enterprise ("WBE") and Economically Disadvantaged Firms ("PBC  
MBE/WBE Program")  
October, 2009

WHEREAS, in February 1992 the Board of Commissioners (the "Board") of the Public Building Commission of Chicago (the "Commission") adopted a Remedial Program for Utilization of MBE and WBE firms (the "Program") as a means of providing open access to the award of Commission Contracts and to remedy the effects of racial and sexual discrimination which have placed such firms at a competitive disadvantage in the award of Commission Contracts.

WHEREAS, in 2003, District Judge James B. Moran in the case *Builders Association of Greater Chicago v. City of Chicago*, No. 96 C 1122 (N.D. Ill) held that the evidence introduced at trial demonstrated that past and current discriminatory practices continue to place MBE and WBE firms at a competitive disadvantage in the award of governmental contracts and such practices have continued to impede the growth of success and MBE and WBE firms.

WHEREAS, on October 1, 2004, the Commission determined that

the February 1992 Program adopted by the Commission had not been sufficient to ameliorate the effects of racial and gender discrimination in the marketplace and passed, by Resolution No. 6741, Special Conditions Regarding Remedial Program for Utilization of Minority Business Enterprise ("MBE"), Women Business Enterprise ("WBE") and Economically Disadvantaged Firms (the "2004 Special Conditions").

WHEREAS, Section 13.1 of the 2004 Special Conditions states that the Special Conditions "shall expire on October 31, 2009 unless the Commission find that its remedial purposes have not been fully achieved and there is a compelling interest in continuing interest in continuing narrowly tailored remedies to redress discrimination against MBE/WBE firms so that the Commission will not function as a passive participant in a discriminatory marketplace."

WHEREAS, on May 24, 2004, the City Council of the City of Chicago (the "City") amended Chapter 2-92 of the Municipal Code (the "2004 Ordinance") to redress discrimination in the Chicago construction industry which provided for its expiration on December 31, 2009 unless the remedial purposes set forth in the 2004 Ordinance have not been fully achieved by such date.

WHEREAS, the City commissioned a comprehensive review of the relevant data by Dr. David G. Blanchflower with assistance by social science experts Dr. Ana Aparicio, Dr. Cedric Herring and Dr. Yvonne Lau to determine whether the City's 2004 Ordinance shall expire, or continue the narrowly tailored remedies to redress discrimination against MBE and WBE firms.

WHEREAS, Dr. Blanchflower concluded his review and provided a detailed report (the "Final Report") of his conclusions to the City, which concluded that MBE and WBE firms in the Chicago area continue to face discrimination in the construction industry and that there was no evidence that the discrimination had diminished over time.

WHEREAS, on July 29, 2009, the City Council passed a Substitute Ordinance in view of the Final Report which extended the 2004 Ordinance until December of 2015 subject to an interim review to be concluded by the Chief Procurement Officer in December of 2012.

WHEREAS, following a review of the relevant data as summarized in the Final Report presented to the City and the Substitute Ordinance, the Commission has determined that there is a compelling interest and continuing need to remedy discrimination against MBE and WBE firms in the award of construction contracts by extending the 2004



Special Conditions until December 31, 2015 with an interim review to be conducted in 2012.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners that the 2004 Special Conditions are hereby amended as follows:

1. **Section 1, Introduction** of the 2004 Special Conditions is hereby **deleted** in its entirety and the foregoing recitals are hereby substituted in lieu thereof.

2. For purposes of this resolution, **Section 3, Definitions, sub-section 3.1(n)** of the 2004 Special Conditions is hereby **amended** as follows:

*(Omitted text is unaffected by this Resolution)*

(n) "Minority" means:

(i) Any individual in the following racial or ethnic groups, members of which are rebuttably presumed to be socially disadvantaged:

(A) African-Americans or Blacks, which includes persons having origins in any of the Black racial groups of Africa;

(B) Hispanics, which includes persons of Spanish culture with origins in Mexico, South or Central America or the Caribbean Islands, regardless of race;

(C) Asian-Americans, which includes (persons whose origins are in any of the original peoples of the Far East, Southeast Asia, the islands of the Pacific or the Northern Marianas, or the Indian Subcontinent);

(D) American Indians, which includes persons having origins in any of the original peoples of North and South America (including Central America) and who maintain tribal affiliation or community attachment; and

(ii) Individual members of other groups, including but not limited to Arab-Americans, found by the Commission to be socially disadvantaged by having suffered racial or ethnic prejudice or

cultural bias within American society, without regard to individual qualities, resulting in decreased opportunities to compete in Chicago area markets or to do business with the Commission.

3. For purposes of this resolution, **Section 12, “Non-Compliance and Liquidated Damages”**, sub-section 12.2 of the 2004 Special Conditions is hereby deleted in its entirety.

4. For purposes of this resolution, **Section 13, “Review and Sunset”** of the 2004 Special Conditions is hereby amended as follows:

SECTION 13  
REVIEW AND SUNSET

*(Omitted text is unaffected by this Resolution)*

SECTION 13.1 These Special Conditions shall be subject to an interim review by the Commission to be concluded by December of 2012, and shall expire on December 31, 2015, unless the Commission find that its remedial purposes have not been fully achieved and there is a compelling interest in continuing narrowly tailored remedies to redress discrimination against MBEs or WBEs so that the Commission will not function as a passive participant in a discriminatory marketplace.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized and directed to establish administrative rules and regulations governing the implementation of the PBC MBE/WBE Program and to publish such rules and regulations to the Administrative Operations Committee and the Board of Commissioners.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

The next item presented to the Board of Commissioners for consideration of approval was the appointment of Farr Associates to provide Gray Water Research Consulting Services for the Public Building Commission for a fee not-to-exceed

\$25,000.00 plus reimbursables in such amounts as shall be approved by the Executive Director. After discussion and consideration and upon motion duly made and seconded, the following resolution was adopted.

RESOLUTION NO. 7407

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby approve the appointment of Farr Associates to provide Gray Water Research Consulting Services for the Public Building Commission for a fee not-to-exceed \$25,000.00 plus reimbursables in such amounts as shall be approved by the Executive Director.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized and directed to execute, upon approval by Legal Counsel as to form and legality, any and all documents as may be necessary and appropriate in order to implement this Resolution.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

The next item to be presented to the Board of Commissioners was the proposed 2010 Operations and Maintenance Budget and the 2010 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. 7408 - Daley Center

WHEREAS, the proposed Richard J. Daley Center Operations and Maintenance Budget and the Capital Budget for Fiscal Year 2010 are \$15,649,264 and 7,893,000, 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, 2010 to December 31, 2010 attached hereto collectively as Exhibit "G".

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 \$15,649,264 for the Operations and Maintenance Budget of the Richard J. Daley Center and \$7,893,000 for the Capital Budget of the Richard J. Daley Center for the fiscal year January 1, 2010 to December 31, 2010.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

The Executive Director next presented to the Board of Commissioners for consideration of approval an amendment to the Starbucks Corporation lease with the Public Building Commission of Chicago to extend the term of the lease for an additional period of two years for Starbucks Coffee located in the Richard J. Daley Center concourse level. After discussion and consideration and upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 7409

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission does hereby approve the amendment and extension of the Starbucks Corporation Lease Agreement for Starbucks Coffee located in the Richard J. Daley Center concourse level at an annual rent fee of \$30,500 for the period of September 1, 2009 through and including August 31, 2010 and \$31,262.00 for the period of September 1, 2010 through and including August 31, 2011.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized and directed to amend and execute an extension of the current Lease Agreement in such form as shall be approved by Legal Counsel.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

Next, the Executive Director presented to the Board of Commissioners for consideration of approval a two year contract extension to MB Real Estate Services LLC as Property Manager for the Richard J. Daley Center. The terms of the extension will be for two (2) years under the same terms and conditions except as follows:

- The \$198,450 Management Fee for 2009 will be maintained. There will be no increase in the Management Fee for either 2010 or 2011.
- The budget for reimbursement of the PBC specified CGL Insurance premium will be increased by \$16,000 to a not-to-exceed amount of \$74,000 for 2010 and 2011.

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

RESOLUTION NO.7410

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby approve the contract extension with MB Real Estate Services LLC for Property Management Services for the Richard J. Daley Center for a term of two (2) years under the same terms and conditions as the current contract except as follows:

- The \$198,450 Management Fee for 2009 will be maintained. There will be no increase in the Management Fee for either 2010 or 2011.
- The budget for reimbursement of the PBC specified CGL Insurance premium will be increased by \$16,000 to a not-to-exceed amount of \$74,000 for 2010 and 2011.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized and directed to execute an extension of the current contract in such form as shall be approved by Legal Counsel.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Michael W. Scott - 7

Commissioners voting in the negative:

None

Commissioners abstaining:

Samuel Wm. Sax - 1

The Executive Director next presented to the Board of Commissioners for consideration of approval the appointment of Geosyntec Consultants, Inc. to provide Geotechnical Services for the Ogden Elementary School project located at 24 W. Walton Street for a fee not-to-exceed \$49,485.00. After discussion and consideration and upon motion duly made and seconded, the following resolution was adopted.

RESOLUTION NO. 7411

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby approve the appointment of Geosyntec Consultants, Inc. to provide Geotechnical Services for the Ogden Elementary School project for a fee not-to-exceed \$49,485.00.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized and directed to undertake any and all actions and to execute, upon approval by legal counsel as to form and legality, such documents as may be necessary and appropriate in order to implement this resolution.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott - 8

Commissioners voting in the negative:

None

Next, the Executive Director reported on the receipt of bids by Turner Construction Company as Construction Manager at Risk for Contract No. PS1668, Bid Package #1 Caissons Work to Revcon Construction Company, and Bid Package #2 Earth Retention Work to Thatcher Foundations, Inc. for Ogden Replacement Elementary School project located at 24 W. Walton Street, Chicago, Illinois to be awarded by the Public Building Commission then assigned to Turner as Construction Manager at Risk. After discussion and consideration and upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 7412

WHEREAS, pursuant to bid solicitations from duly pre-qualified general construction firms, the following base bids were received for Contract No. PS1668, Bid Package #1 Caissons Work, and Bid Package #2 Earth Retention Work for Ogden Replacement Elementary School project located at 24 W. Walton Street, copies of which bids and contract documents are on file with the Commission:

BID PACKAGE #1 –Caissons

<u>Bidder</u>	<u>Base Bid</u>	<u>Award Criteria</u>
Revcon Construction	\$1,430,000.00	\$1,406,262.00
Case Foundation Co.	\$1,482,000.00	\$1,452,360.00
Rohrscheib Sons Casissons	\$1,595,000.00	\$1,557,517.50

; and

WHEREAS, the bid of Revcon Construction was the lowest responsible bid meeting the technical specifications received for the furnishing and performance of the work and the staff of the Commission has recommended that Contract No. PS1668, Bid Package #1 be awarded to Revcon Construction.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago hereby awards to Revcon Construction, Contract No. PS1668, Bid Package #1, Caisson Work for Ogden Replacement Elementary School project pursuant to the terms thereof for the total contract value of \$1,478,763.00 and authorizes and directs the appropriate officers of the Public Building

Commission of Chicago to take such action as may be required or advisable to consummate the award and to execute the contract.

BE IT FURTHER RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago hereby assigns Contract No. PS1668, Bid Package #1, to Turner Construction Company as Construction Manager at Risk for the construction of the Ogden Replacement Elementary School project.

BE IT FURTHER RESOLVED that the Board of Commissioners of the Public Building Commission hereby authorizes and directs the appropriate officers of the Public Building Commission of Chicago to take such action as may be required or advisable to consummate the award, assignment and execution of the contract and the execution of such documents, upon approval by Legal Counsel as to form and legality, as may be necessary and appropriate to implement the project.

; and

BID PACKAGE #2 –Earth Retention

<u>Bidder</u>	<u>Base Bid</u>	<u>Award Criteria</u>
Thatcher Foundations, Inc.	\$505,000.00	\$480,760.00
Hayward Baker	\$525,500.00	\$518,563.40
Schnadel Foundation	\$784,000.00	\$780,864.00

; and

WHEREAS, the bid of Thatcher Foundations, Inc. was the lowest responsible bid meeting the technical specifications received for the furnishing and performance of the work and the staff of the Commission has recommended that Contract No. PS1668, Bid Package #2 be awarded to Thatcher Foundations, Inc..

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago hereby awards to Thatcher Foundations, Inc., Contract No. PS1668, Bid Package #2, Earth Retention Work for Ogden Replacement Elementary School project pursuant to the terms thereof for the total contract value of \$522,221.00.



BE IT FURTHER RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago hereby assigns Contract No. PS1668, Bid Package #2, to Turner Construction Company as Construction Manager at Risk for the construction of the Ogden Replacement Elementary School project.

BE IT FURTHER RESOLVED that the Board of Commissioners of the Public Building Commission hereby authorizes and directs the appropriate officers of the Public Building Commission of Chicago to take such action as may be required or advisable to consummate the award and assignment of the contract and, upon approval by Legal Counsel as to form and legality, the execution of such documents that may be necessary and appropriate to implement the project.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

Thereupon the Executive Director reported on the receipt of bids for Contract No. 1491, New Construction Work for West Humboldt Park Branch Library project located at 733 N. Kedzie Avenue, Chicago, Illinois. After discussion and consideration and upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 7413

WHEREAS, pursuant to bid solicitations from duly pre-qualified general construction firms, the Public Building Commission of Chicago received the following base bids for Contract No. 1491, New Construction Work for West Humboldt Park Branch Library located at 733 N. Kedzie Avenue, copies of which bids and contract documents are on file with the Commission:

<u>Bidder</u>	<u>Base Bid</u>	<u>Award Criteria</u>
Leopardo Companies, Inc.	\$6,384,175.00	\$6,132,000.00
The George Sollitt Construction Co.	\$6,461,000.00	\$6,196,099.00

F.H. Paschen/SN Nielsen & Assoc., LLC	\$6,525,000.00	\$6,253,866.00
Pacific Construction Services, Inc.	\$6,500,000.00	\$6,285,500.00
W.E. O'Neil Construction Company	\$6,948,000.00	\$6,712,463.00
Henry Bros. Company	\$7,120,000.00	\$6,853,000.00
Ragnar Benson Construction LLC	\$6,945,991.00	\$6,858,471.00
Blinderman Construction Co., Inc.	\$7,178,000.00	\$6,862,168.00
K.R. Miller Contractors, Inc.	\$7,187,000.00	\$7,014,512.00

; and

WHEREAS, the bid of Leopardo Companies, Inc. was the lowest responsible bid meeting the technical specifications received by the Commission for the furnishing and performance of the work; and

WHEREAS, as a part of its bid proposal, Leopardo Companies, Inc. has advised the Commission that the surety on the performance and payment bond to be supplied in the form set forth in the contract documents will be Continental Casualty Company, a corporate surety authorized to do business under the laws of the State of Illinois; and

WHEREAS, the staff of the Commission has recommended that Contract No. 1491 be awarded to Leopardo Companies, Inc., and Continental Casualty Company, proposed surety on the performance and payment bond, be accepted and approved by the Commission.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago hereby awards to Leopardo Companies, Inc., Contract No. 1491, New Construction Work for West Humboldt Park Branch Library project pursuant to the terms thereof for the base contract price of \$6,384,175.00 and authorizes and directs the appropriate officers of the Public Building Commission of Chicago to take such action as may be required or advisable to consummate the award and to execute the contract.

BE IT FURTHER RESOLVED that the Public Building Commission of Chicago does hereby approve a performance and payment bond to be supplied in the form set forth in the contract documents comprising Contract No. 1491, subject to the completion and delivery to

the Commission of said form of bond by Leopardo Companies, Inc., as principal, and Continental Casualty Company, as surety, in the principal amount of \$6,384,175.00, and the Chairman is hereby authorized and directed to signify approval by the Commission of the fully executed bond.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

Thereupon the Executive Director reported on the receipt of bids for Contract No. 1492, New Construction Work for Greater Grand Crossing Branch Library project located at 1000 E. 73rd Street, Chicago, Illinois. After discussion and consideration and upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 7414

WHEREAS, pursuant to bid solicitations from duly pre-qualified general construction firms, the Public Building Commission of Chicago received the following base bids for Contract No. 1492, New Construction Work for Greater Grand Crossing Branch Library located at 1000 E. 73<sup>rd</sup> Street, copies of which bids and contract documents are on file with the Commission:

<u>Bidder</u>	<u>Base Bid</u>	<u>Award Criteria</u>
The George Sollitt Construction Co.	\$4,383,000.00	\$4,203,297.00
Pacific Construction Services	\$4,399,000.00	\$4,216,442.00
Leopardo Companies, Inc.	\$4,390,998.00	\$4,217,554.00
F.H. Paschen/SN Nielsen & Assoc., LLC	\$4,465,000.00	\$4,279,479.00
K.R. Miller Contractors, Inc.	\$4,994,000.00	\$4,874,144.00

; and

WHEREAS, the bid of The George Sollitt Construction Company was the lowest responsible bid meeting the technical specifications received by the Commission for the furnishing and performance of the work; and

WHEREAS, as a part of its bid proposal, The George Sollitt Construction Company has advised the Commission that the surety on the performance and payment bond to be supplied in the form set forth in the contract documents will be Travelers Casualty and Surety Company of America, a corporate surety authorized to do business under the laws of the State of Illinois; and

WHEREAS, the staff of the Commission has recommended that Contract No. 1492 be awarded to The George Sollitt Construction Company, and Travelers Casualty and Surety Company of America, proposed surety on the performance and payment bond, be accepted and approved by the Commission.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago hereby awards to The George Sollitt Construction Company, Contract No. 1492, New Construction Work for Greater Grand Crossing Branch Library project pursuant to the terms thereof for the base contract price of \$4,383,000.00 and authorizes and directs the appropriate officers of the Public Building Commission of Chicago to take such action as may be required or advisable to consummate the award and to execute the contract.

BE IT FURTHER RESOLVED that the Public Building Commission of Chicago does hereby approve a performance and payment bond to be supplied in the form set forth in the contract documents comprising Contract No. 1492, subject to the completion and delivery to the Commission of said form of bond by The George Sollitt Construction Company, as principal, and Travelers Casualty and Surety Company of America, as surety, in the principal amount of \$4,383,000.00, and the Chairman is hereby authorized and directed to signify approval by the Commission of the fully executed bond.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott - 8

Commissioners voting in the negative:

None

The next item presented to the Board of Commissioners for consideration of approval was the request to undertake the design and construction of the Gateway Harbor project located at Dime Pier at the mouth of the Chicago River just south of Navy Pier and the 31<sup>st</sup> Street Harbor project located south of the existing 31<sup>st</sup> Street Beach, Chicago, IL on behalf of the Chicago Park District with funds to be provided by or on behalf of the Chicago Park District. After discussion and consideration and upon motion duly made and seconded, the following resolution was adopted.

RESOLUTION NO. 7415

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby approve the request to undertake the design and construction of the Gateway Harbor project and the 31<sup>st</sup> Street Harbor project on behalf of the Chicago Park District with funds to be provided by or on behalf of the Chicago Park District.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized and directed to execute, upon approval by Legal Counsel as to form and legality, any and all documents as may be necessary and appropriate in order to implement this Resolution.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

The Executive Director next presented to the Board of Commissioners for consideration of approval 14 pre-qualified firms to provide general construction services for the Gateway Harbor project, 31<sup>st</sup> Street Harbor (Landside/Marina) project and 31<sup>st</sup> Street Harbor (Coastal) project as listed below. After discussion and consideration and upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 7416

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

**Gateway Harbor**

James McHugh Construction Company  
 Kenny Construction Company  
 McHugh/I.C. Joint Venture  
 Paschen Gillen Skipper Marine Joint Venture  
 Walsh Construction Company

**31<sup>st</sup> Street Harbor (Landside/Marina)**

James McHugh Construction Company  
 Kenny Construction Company  
 McHugh/I.C. Joint Venture  
 Paschen Gillen Skipper Marine Joint Venture  
 Walsh Construction Company

**31<sup>st</sup> Street Harbor (Coastal)**

American Marine  
 Kokosing Construction Inc. Durocher Marine Division  
 Luhr Bros Inc.  
 McHugh/I.C. Joint Venture  
 Paschen Gillen Skipper Marine Joint Venture  
 Walsh Construction Company

**Commissioners voting in the affirmative:**

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
 Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
 Samuel Wm. Sax, Michael W. Scott – 8

**Commissioners voting in the negative:**

None

Next the Board of Commissioners was presented with consideration of approval the request from the Chicago Park District to undertake the completion of design, bidding and construction of the Haas Park Field House project located at 2404 N. Washtenaw

Avenue for a total project budget of \$7,000,000.00. After discussion and consideration and upon motion duly made and seconded, the following resolution was adopted.

RESOLUTION NO. 7417

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago does hereby approve the request to undertake the completion of design, bidding and construction of the Haas Park Field House project on behalf of the Chicago Park District with funding provided by or on behalf of the Chicago Park District.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized and directed to execute, upon approval by Legal Counsel as to form and legality, any and all documents as may be necessary and appropriate in order to implement this Resolution.

Commissioners voting in the affirmative:

Richard M. Daley, Arthur M. Brazier, Adela Cepeda,  
Gery J. Chico, Robert B. Donaldson, Benjamin Reyes,  
Samuel Wm. Sax, Michael W. Scott – 8

Commissioners voting in the negative:

None

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

\_\_\_\_\_  
Secretary

APPROVED:

\_\_\_\_\_  
Chairman

Public Building Commission of Chicago  
Proposed Amendment Report to the Administrative and Operations Committee -  
September 24, 2009

Amendment	Project	Consultant	Reason for the Proposed Amendment	Current Cost of Construction (including approved change orders)	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	Operation Virtual Shield (City-Wide)	International Business Machine - IBM (PS 805 - A2) Master Network Administrator	This amendment represents a vendor increase in the amount of \$25,000,000.00 for the Master Network Administrator to design and install a security camera network as part of the Phase IV Operation Virtual Shield Project. Phase IV includes the camera network along Lake Shore Drive from Fullerton Ave. to 22nd Street. Also included in the increase is an allowance to address the installation, maintenance, and repair of cameras in other areas of the city.  The services represented in this amendment were not included in the Original Scope of Services.	N/A	\$25,000,000.00	\$68,700,000.00	N/A
2	Brighton Park II Elementary School (2611 W. 48th St.)	Archtrave, Ltd. (PS 1241 - A1) AOR	This amendment represents additional services in the amount of \$9,156.50 for the dedication and development of the Right of Way. Design was originally to be done by CDOT, but later assigned to the PBC. It includes revisions to increase the width of W. 48th Street from 33' to 66' wide and to extend South Rockwell Avenue terminating in a 100' cut-de-sac.  The services represented in this amendment were not included in the Original Scope of Services.	\$25,212,118.00	\$9,156.50	\$1,818,244.50	7.2%
3	Kelly Curie Gage Park High School (5400 S. St. Louis)	GSG Material Testing, Inc. (PS 1387 - A1) Material Testing & Inspection	This amendment represents additional services in the amount of \$86,805.00 for the Material Testing & Inspection agent to perform additional construction and inspection services for the remainder of the project.  The services represented in this amendment were not included in the Original Scope of Services.	\$67,900,000.00	\$86,805.00	\$271,805.00	0.4%
4	Michael Reese Hospital Demolition (2929 S. Ellis Ave)	Carow, Conibear, and Associates, Ltd. (PS 1662 - A1) General Environmental Manager	This amendment represents additional services in the not-to-exceed amount of \$30,000 for the General Environmental Manager (GEM) to address current additional environmental issues. The GEM will provide the necessary oversight, assist in coordination, provide recommendations, track progress, provide updates and document the following activities as requested: the removal of remaining personal property and hazardous waste and chemicals; waste water in building basements; close-out activities of the radioactive material licenses for the facility; and emergency spill/release response.  The services represented in this amendment were not included in the Original Scope of Services.	N/A	\$30,000.00	\$207,600.00	N/A



***PUBLIC BUILDING COMMISSION OF CHICAGO***

***BOARD MEETING – October 8, 2009***

***CHANGE ORDERS***

**PUBLIC BUILDING COMMISSION  
SUMMARY OF PROPOSED CHANGE ORDERS  
FOR PBC BOARD MEETING  
October 8, 2009**

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
South Water Purification Plant Chlorine Improvements 3300 Cheltenham Place Project Manager: Tom Griggs	1339	The George Sollitt Construction Company	\$47,987,000.00	\$292,240.00	\$48,279,240.00	(\$20,118.00)	\$48,259,122.00	0.57%
Engine Company 102 7340 N. Clark Street Project Manager: Craig Bruska	1457	Burling Builders, Inc.	\$8,790,000.00	(\$69,812.00)	\$8,720,188.00	(\$12,377.00)	\$8,707,811.00	-0.94%
Taylor Lauritsen Field House 704 W. 42nd Street Project Manager: Julie Stoehr	1469	Burling Builders, Inc.	\$6,941,000.00	\$288,650.00	\$7,229,650.00	\$0.00	\$7,229,650.00	4.16%
South Shore High School 1955 E. 75th Street Project Manager: Mike Vergamini	1473	George Sollitt / Brown & Momen JV	\$71,416,000.00	\$2,067,484.00	\$73,483,484.00	\$0.00	\$73,483,484.00	2.89%

**PUBLIC BUILDING COMMISSION  
SUMMARY OF PROPOSED CHANGE ORDERS  
FOR PBC BOARD MEETING  
October 8, 2009**

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
23rd District Police Station 850 W. Addison Project Manager: James Harrell	1475	Harbour Contractors, Inc.	\$30,777,825.64	\$0.00	\$30,777,825.64	(\$16,247.20)	\$30,761,578.44	-0.05%

# PUBLIC BUILDING COMMISSION OF CHICAGO

## CHANGE ORDER

South Water Purification Plant Chlorine Improvements

3300 East Cheltenham Place

October 8, 2009

The George Sollitt Construction Company

790 North Central Avenue

Wood Dale, IL 60191

CHNG	BULL	CONTRACT NUMBER 1339	
ORDR	NUM	ORIGINAL CONTRACT PRICE	\$47,987,000.00
NUM		APPROVED CHANGE ORDERS	\$292,240.00
<b>ADJUSTED CONTRACT PRICE TO DATE</b>			<b>\$48,279,240.00</b>
014	1339-49	Delete flow switches on evaporator vent piping (total of 10). Error or Omission.	(\$1,086.00)
014	1339-57	Modifications to the Chlorine Building paging and visual system. Error or Omission.	\$39,993.00
014	1339-58	Refund for natural gas used during the 2008/2009 heating season. Other.	(\$59,025.00)

TOTAL CHANGE ADDITION (\$ 20,118.00)

**ADJUSTED CONTRACT PRICE AFTER APPROVAL \$48,259,122.00**


All interested parties are hereby notified that the Change Order listed above shall apply to Contract No. 1339 heretofore issued by the Public Building Commission.

All parties shall apply the change as indicated above.

Resolution Number 7398

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

  
Reviewed By

  
Executive Director

# PUBLIC BUILDING COMMISSION OF CHICAGO

## CHANGE ORDER

Engine Company 102

7340 N. Clark Street

October 8, 2009

**Burling Builders, Inc.**  
44 W. 60<sup>th</sup> Street  
Chicago, Illinois 60621

CHNG	BULL	CONTRACT NUMBER 1457	
ORDR	NUM	ORIGINAL CONTRACT PRICE	\$8,790,000.00
NUM		APPROVED CHANGE ORDERS	(\$69,812.00)
<hr/>			
<b>ADJUSTED CONTRACT PRICE TO DATE</b>			<b>\$8,720,188.00</b>
006	1457-54	Credit for unused contingency. Other.	(\$12,377.00)

TOTAL CHANGE ADDITION (\$12,377.00)

**ADJUSTED CONTRACT PRICE AFTER APPROVAL \$8,707,811.00**

All interested parties are hereby notified that the Change Order listed above shall apply to Contract No. 1457 heretofore issued by the Public Building Commission.

All parties shall apply the change as indicated above.

Resolution Number 7398

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



Reviewed By



Executive Director

# PUBLIC BUILDING COMMISSION OF CHICAGO

## CHANGE ORDER

Taylor Lauridsen Fieldhouse

704 W. 42<sup>nd</sup> Street

October 8, 2009

Burling Builders, Inc.

44 W. 60<sup>th</sup> Street

Chicago, Illinois 60621

CHNG	BULL	CONTRACT NUMBER 1469	
ORDR	NUM	ORIGINAL CONTRACT PRICE	\$6,941,000.00
NUM		APPROVED CHANGE ORDERS	\$ 288,650.00
<hr/>			
ADJUSTED CONTRACT PRICE TO DATE			\$7,229,650.00
003	1469-4A	20-day time extension associated with additional excavation and dewatering operations. Other.	\$0.00

The Revised Substantial Completion date is June 28, 2009

TOTAL CHANGE ADDITION	\$ 0.00
<hr/>	
ADJUSTED CONTRACT PRICE AFTER APPROVAL	\$7,229,650.00

All interested parties are hereby notified that the Change Order listed above shall apply to Contract No. 1469 heretofore issued by the Public Building Commission.

All parties shall apply the change as indicated above.

Resolution Number 7398

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



Reviewed By



Executive Director

# PUBLIC BUILDING COMMISSION OF CHICAGO

## CHANGE ORDER

South Shore Replacement High School

1955 E. 75<sup>th</sup> Street

October 8, 2009

George Sollitt / Brown & Momen JV

790 N. Central Avenue

Wood Dale, IL 60191

CHNG	BULL	CONTRACT NUMBER 1473	
ORDR	NUM	ORIGINAL CONTRACT PRICE	\$71,416,000.00
NUM		APPROVED CHANGE ORDERS	\$ 2,067,484.00
<b>ADJUSTED CONTRACT PRICE TO DATE</b>			<b>\$73,483,484.00</b>

004	1473-009	135-day time extension associated with delay impacts resulting from unforeseen dewatering issues with site preparation phase which resulted in the foundation system redesign. The time extension will be in accordance with the South Shore Phased Completion Plan to result in a phased building turnover. Differing Site Conditions.	\$0.00
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The Revised Substantial Completion date for the project is November 18, 2010.

TOTAL CHANGE ADDITION \$ 0.00

**ADJUSTED CONTRACT PRICE AFTER APPROVAL \$73,483,484.00**

All interested parties are hereby notified that the Change Order listed above shall apply to Contract No. 1473 heretofore issued by the Public Building Commission.

All parties shall apply the change as indicated above.

Resolution Number 7398

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

  
Reviewed By

  
Executive Director

# PUBLIC BUILDING COMMISSION OF CHICAGO

## CHANGE ORDER

23<sup>rd</sup> District Police Station

850 West Addison

October 8, 2009

Harbour Contractors, Inc.

23830 W. Main Street

Plainfield, IL 60544

CHNG	BULL	CONTRACT NUMBER 1475	
ORDR	NUM	ORIGINAL CONTRACT PRICE	\$30,777,825.64
NUM		APPROVED CHANGE ORDERS	\$ 0.00
<b>ADJUSTED CONTRACT PRICE TO DATE</b>			<b>\$30,777,825.64</b>
001	1475-005a	12-day time extension for the Police Station associated with concrete footing repair work. Error or Omission.  The Revised Substantial Completion date for the Police Station is August 17, 2010.	\$0.00
001	1475-008	Provide credit for excavation due to reaching the contract bearing surface at a shallower depth. Differing Site Conditions.	(\$11,933.00)
001	1475-009	Provide credit for site demolition work completed previously by JOC contractor. Error or Omission.	(\$4,314.20)
001	1475-010	5-day time extension for the Parking Garage associated with the removal of unsuitable soil. Differing Site Conditions.  The Revised Substantial Completion date for the Parking Garage is December 11, 2009.	\$0.00
<b>TOTAL CHANGE ADDITION</b>			<b>(\$ 16,247.20)</b>
<b>ADJUSTED CONTRACT PRICE AFTER APPROVAL</b>			<b>\$30,761,578.44</b>

All interested parties are hereby notified that the Change Order listed above shall apply to Contract No. 1475 heretofore issued by the Public Building Commission.

All parties shall apply the change as indicated above.

Resolution Number 7398

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



Reviewed By



Executive Director



NOTICE OF AWARD  
OCTOBER 2009

"EXHIBIT C"

REQUEST FOR SERVICE \$25,000 & UNDER					
Project Name	Service	Firm	N.T.E.	\$ Total	
Westinghouse HS, Skinner Elementary, and Langston Hughes Elementary	Architectural photos taken of three sites	Steinkamp Photography		\$ 7,310.00	
PBC Administration	Temp Work performed for the Administration Dept.	Ajilon Tern Agency		\$ 7,407.25	
PBC Administration	Temp Work performed for the Administration Dept.	Accountemps		\$ 3,846.44	
PBC Administration	Purchase of color ink for color printers, USB flash drive, and CD-R disks.	MCPc		\$ 7,464.32	
PBC Administration	Purchase of 17 Desk Chairs (11 for Room 200 and 6 for Room CL-16)	MB Real Estate		\$ 8,710.35	
PBC Administration	Purchase of a four- two drawer file cabinets for Executive Director's Office	Warehouse Direct Office Products		\$ 1,171.00	
PBC Administration	Purchase of various office supplies	Warehouse Direct Office Products		\$ 3,804.62	
PBC Administration	Purchase of 9.5 x 12.5 White Catalog Envelopes	Print X-Press		\$ 598.00	
Michael Reese Hospital Abatement and Demolition	Bid Advertisement in Newspaper	Extra Community Newspaper		\$ 700.00	
Michael Reese Hospital Abatement and Demolition	Bid Advertisement in Newspaper	Chicago Suntimes Newspaper		\$ 2,000.00	
Michael Reese Hospital Abatement and Demolition	Bid Advertisement in Newspaper	Chicago Defender Newspaper		\$ 1,500.00	
Mille Davis Elementary School	LEED review for combined Design and Construction Phase, with intent to achieve LEED Certification	Green Building Certification Institute		\$ 4,511.88	
Brighton Park II Elementary School	Survey-Additional Services	C.M. Lavoie & Associates Inc.		\$ 970.00	
Gwendolyn Brooks CPA	Geotechnical Services	Environmental Protection Industries		\$ 8,925.00	
Daley Replacement Library	Geotechnical Services	Camp Dresser & McKee Inc.		\$ 20,015.00	
Little Village Library	Geotechnical Services	Wang Engineering		\$ 21,829.74	
23rd District Police Station	Geotechnical Services	GSG Consultants		\$ 20,000.00	
Ogden Elementary School	Traffic Study-Additional Services	Kenig, Lindgren, O'Hara, Aboona Inc.		\$ 1,574.40	

NOTICE OF AWARD  
OCTOBER 2009

SPECIALTY CONTRACTS					
	Service	M/WBE	Firm	N.T.E.	\$ Total
12th District Police Station	Survey Services	M/WBE	Environmental Design International		\$ 4,998.00
Bontemps Campus Park	Survey Services	MBE	Tecma Associates Inc		\$ 6,192.00
Ogden Elementary School	Phase II Environmental Services	MBE	GSG Consultants Inc.		\$ 98,004.00
23rd District Police Station	Environmental Phase II-Additional Services	WBE	Kowalenko Consulting		\$ 88,260.00
South Shore Replacement Hig School	Phase II Environmental-Additional Services	MBE	GSG Consultants Inc.		\$ 93,100.00
Ogden Elementary School	Environmental Design Services	MBE	GSG Consultants Inc.		\$ 27,600.00
Little Village Library	Construction Material Testing Services	MBE	GSG Material Testing		\$ 9,600.00
23rd District Police Station	Construction Material Testing Services	MBE	American Geoengeering Inc.		\$ 14,763.00
<b>Authorization levels granted to Executive Director August 2007</b>					

- Surveying (Not to Exceed \$50,000.00 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

## 2010 Administrative Budget

**RICHARD M. DALEY** Chairman

**BISHOP ARTHUR BRAZIER**  
Treasurer

**ADELA CEPEDA**

**GERY J. CHICO**

**DR. ROBERT B. DONALDSON II**

**BENJAMIN REYES**

**CYNTHIA M. SANTOS**

**SAMUEL WM. SAX**

**MICHAEL W. SCOTT**

**TODD H. STROGER**

**GERALD M. SULLIVAN**

**ERIN LAVIN CABONARGI**  
Executive Director

**JOHN E. WILSON**  
Assistant Treasurer

**PATRICK J. HARNEY**  
Assistant Secretary

"EXHIBIT E"

Copy available upon request.

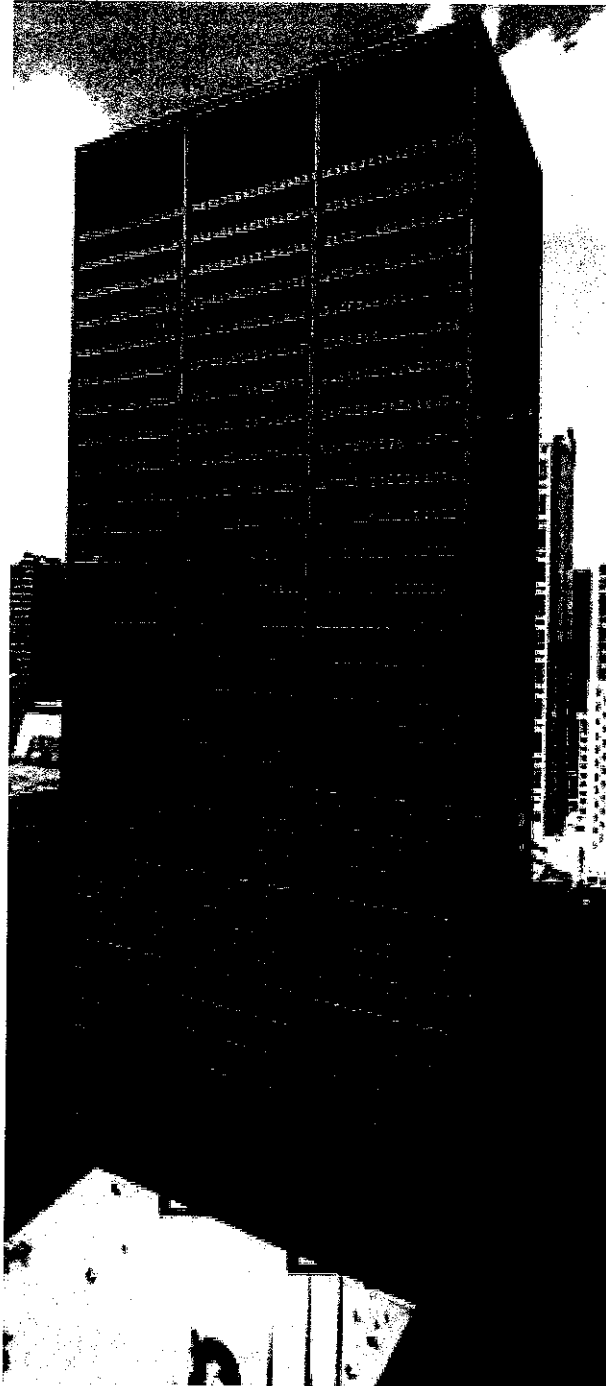
Proposed October 8, 2009

"EXHIBIT E"

Copy available upon request.

# RICHARD J. DALEY CENTER

## 2010 OPERATING AND CAPITAL BUDGET



PREPARED BY MB REAL ESTATE SERVICES, LLC

**Privileged and Confidential**

# NEAL & LEROY, LLC

203 N. LaSalle Street, Suite 2300

Chicago, Illinois 60601

Telephone: (312) 641-7144

## Legal Memorandum

**TO:** Joel Stein, Director of Legal Affairs

**FROM:** Langdon D. Neal  
Anne L. Fredd  
Jacinta Epting

**DATE:** September 10, 2009

**RE:** **EXECUTIVE SUMMARY - *Blanchflower Report on the City of Chicago's MBE/WBE Program***

### INTRODUCTION

On May 26, 2004, the City of Chicago (the "City") passed its Substitute Ordinance concerning the utilization of MBE and WBE Firms, with a sunset date of December 31, 2009. In 2009, the City retained econometrician Dr. David G. Blanchflower ("Dr. Blanchflower"), Bruce V. Rauner Professor of Economics, Dartmouth College, to review its MBE/WBE Program. The City also retained Dr. Ana Aparicio of Northwestern University, Dr. Cedric Herring of the University of Illinois-Chicago and Dr. Yvonne Lau of DePaul University to assist Dr. Blanchflower by gathering anecdotal evidence of discrimination against minorities and women in the Chicago construction industries. Dr. Blanchflower concluded his review and provided a detailed report together with his recommendations and findings concerning the City's MBE/WBE Program ("Final Report").

### SUMMARY OF FINDINGS

The Final Report provides that the City should continue its MBE/WBE Program. Dr. Blanchflower concluded that the City's remedial purposes have not been achieved and there remains a compelling interest in continuing narrowly tailored remedies to redress discrimination against MBE's and WBE's, so that the City will not function as a passive participant in a discriminatory workplace. In the lengthy Final Report, Dr. Blanchflower determined that the following factors demonstrate the continued need for the City's MBE/WBE Program:

- A decline in the United States economy and specifically in the housing and commercial real estate markets have made public sector construction contracts more important for MBE and WBE firms.
- There has been a substantial decline in construction jobs. In 2008, 20,000 jobs, mostly in the specialty trades, were lost in the Chicago area. Construction employment now constitutes 4.0% of total employment, back to the levels of the late 1990s before the housing boom.
- White males dominate employment in the construction industry. In 2007, women, blacks and Asians were less represented in construction occupations than they are in total employment nationally.
- Activity in the construction industry is highly cyclical and volatile. Small firms, which comprise a substantial number of MBE and WBE firms, can expand more rapidly when there is an increase in construction projects.
- Evidence suggests that under-representation of women and minorities in construction is due to widespread pervasive discrimination by construction firms, unions and lenders.
- Collusion and networks among non-minorities result in qualified minorities and women being excluded from construction contracts.
- In other jurisdictions, utilization of MBE and WBE firms declined dramatically when affirmative action programs were discontinued.
- Minority and women owned firms face discrimination by lenders in obtaining capital, and discrimination in obtaining bonds, which make public sector contracts especially important.
- African-Americans, Hispanics, Asian-American and women reported that they are not invited to provide construction services in the private sector where there are no MBE/WBE utilization goals and opined that the City's MBE/WBE Program is crucial to their businesses.

## CONCLUSION

Dr. Blanchflower recommended that the City should continue its MBE/WBE Program and maintain its goals of 24% for MBE's and 4% for WBE's. Dr. Blanchflower also recommended that Native Americans, who are an identifiable group, should be included as a group that is rebuttably presumed to be socially disadvantaged. Finally, Dr. Blanchflower recommended that the City's new MBE/WBE Ordinance should remain in effect until 2015, with an interim review in 2012.

# NEAL & LEROY, LLC

203 North LaSalle Street, Suite 2300 • Chicago, Illinois 60601-1243 • telephone 312.641.7199 • facsimile 312.641.5137 • www.nealandleroy.com

September 21, 2009

Ms. Ervin Lavin Cabonargi  
Executive Director  
Public Building Commission of Chicago  
Room 200 – Richard J. Daley Center  
Chicago, Illinois 60602

**Attention:** *Joel Stein, Director of Legal Affairs*

**Re:** *Proposed Amendment of PBC Resolution Authorizing Remedial Program  
for Utilization of MBE and WBE Firms (“PBC MBE/WBE Program”)*

Dear Ms. Lavin:

PBC’s MBE/WBE Program will expire on October 31, 2009 “unless the PBC finds that its remedial purposes have not been fully achieved and there is a compelling interest in continuing narrowly tailored remedies to redress discrimination against MBEs or WBEs so that the Commission will not function as a passive participant in a discriminatory marketplace”. Similarly, the MBE/WBE program adopted by the City of Chicago (“City’s MBE/WBE Program”) had a sunset provision of December 31, 2009 but was extended by the City Council on July 29, 2009 with a new expiration date of December 31, 2015.

As a predicate for extending its program, the City commissioned a study of the relevant data by Dr. David G. Blanchflower and social science experts Dr. Ana Aparicio, Dr. Cedric Herring and Dr. Yvonne Lau (the “Final Report”). The conclusions and recommendations of the Final Report were adopted by the City Council, which concluded that there is a compelling interest in continuing narrowly tailored remedies to redress discrimination against MBE and WBE firms. An executive summary of the Final Report is attached.

On July 29, 2009, the City Council of the City amended the Municipal Code provisions pertaining to the City’s MBE/WBE program as follows:

**2-92-660. Finding of discrimination** - incorporated the conclusions and recommendations of the Final Report into the Ordinance,

**2-92-670. Definitions** - amended the definition of “minority” so that Native Americans and Asian Americans are rebuttably presumed to be socially disadvantaged, and

**2-92-780. Review and Sunset** - provided for interim review of the program by the Chief Procurement Officer in December 2012 and a sunset date of December 31, 2015.

Ms. Ervin Lavin Cabonargi  
September 21, 2009  
Page 2

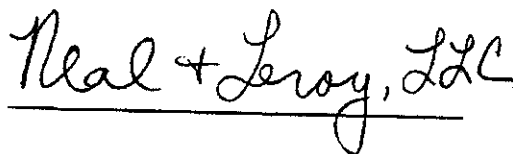
Based upon our review of the legal standards established by Judge Moran in *Builders Association of Greater Chicago v. City of Chicago*, 96 C 1122, a comprehensive review of the Final Report commissioned by the City and the amendments to the City's MBE/WBE Program as summarized above, we recommend that the Board of Commissioners approve a resolution authorizing the following changes to the PBC MBE/WBE Program:

1. **Introduction.** Revise and update the recitals of the Special Conditions regarding the PBC MBE/WBE Program to include findings of discrimination and incorporate by reference the conclusions and recommendations in the Final Report adopted by the City.
2. **Definitions.** Amend definition of "Minority" as set forth in Section 3.1(n) of the Special Conditions to conform to the City's MBE/WBE program (2-92-670) by providing that Native Americans and Asian Americans are rebuttably presumed to be socially disadvantaged.
3. **Non-Compliance and Liquidated Damages.** In order to conform with current standards of legal jurisprudence, delete Section 12.1 of the Special Conditions authorizing assessment of liquidated damages for non-compliance with the required MBE and/or WBE goals.
4. **Interim Review and Sunset.** Amend Section 13 of the Special Conditions to provide for interim review of the PBC MBE/WBE Program by December 31, 2012 and expiration of the PBC MBE/WBE Program by December 31, 2015 unless the Commission finds that there is a compelling need to continue the program in order to redress discrimination against MBE and WBE firms.
5. **Implementation.** Authorize the Executive Director to establish administrative rules and regulations governing the implementation of the PBC MBE/WBE Program and to publish such rules and regulations to the Administrative Operations Committee and the Board of Commissioners.

Kindly present the foregoing recommendations to the Board of Commissioners of the Public Building Commission for consideration of approval.

Yours truly,

Neal & Leroy, LLC



/lls