

PUBLIC BUILDING COMMISSION OF CHICAGO
MINUTES OF THE REGULAR MEETING OF THE
BOARD OF COMMISSIONERS HELD ON APRIL 14, 2015

The regular 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 April 14, 2015 at 2:30 P.M.

The following Commissioners were present:

Chairman Rahm Emanuel
Dr. Byron T. Brazier
Thomas J. Kotel,
Jose Maldonado, Jr.
Toni Preckwinkle
Arnold L. Randall
Samuel Wm. Sax
Mariyana T. Spyropoulos
Bryan S. Traubert
David J. Vitale

Also present were:

Erin Lavin Cabonargi

F. Barrera	K. Lajeune	A. Quathamier
A. Becerra	I. Lakada	E. Rodriguez
G. Blakemore	T. Later	E. Ryan
N. Bravo	L. Lypson	E. Fisk-Smith
B. Campney	D. McNabb	P. Spieles
M. Cwienkala	R. Markin	A. Stallings
A. Del Muro	P. Martinez	J. Sublett
L. Giderof	P. Montenegro	M. Sullivan
M. Harte	M. Moore	T. Foucher-Weekley
T. Haymaker	L. Neal	D. Weinstein
J. Holland	D. O'Neill	A. Wiggins
A. Joseph	K. Pensack	J. Williams
C. Kelly	H. Perez	M. Witry

The meeting was called to order by Chairman Rahm Emanuel and the presence of a quorum was established.

Pursuant to Section 2.06(g) of the Open Meetings Act, a public participation period was held. The following persons were present at the meeting who had previously registered to provide comments under the guidelines established by Resolution No. 7611 approved by the Board of Commissioners on January 11, 2011: Dennis O'Neill; Kathryn Pensack; and George Blakemore. Dennis O'Neill provided comments on the need for quality education in the City of Chicago and the transformation of the Smyth Elementary School into a University of Chicago at Chicago laboratory school. Kathryn Pensack provided comments on the need to use solar energy in all public buildings in the City of Chicago and the level of solar use in Chicago as compared to other areas. George Blakemore provided comments on the reduction in the number of days for free admission to the City's museums.

At the conclusion of the public participation period, the board meeting was reconvened and the Board of Commissioners considered the approval of the minutes of the meeting held on March 10, 2015. The reading of said minutes, which had previously been distributed, was dispensed with and upon motion duly made and seconded, the minutes of the March 10, 2015 board meeting were unanimously approved.

The next item on the agenda was a report by Commissioner Sax regarding the Audit Committee meeting held on April 9, 2015, which meeting was also attended by Commissioner Cabrera and Commissioner Brazier. Commissioner Sax reported that the Audit Committee was presented with a report by DeLoitte & Touche LLP which described the audit planning process for the year ending December 31, 2014 and advised that timely completion of the audit is anticipated.

The Audit Committee Report also noted that the Chief Administrative Officer had presented a proposed Intergovernmental Agreement ("IGA") between the Public Building

Commission and the Office of the City Treasurer of the City of Chicago regarding investment portfolio management services along with a proposed Amended and Restated Investment Policy for the Public Building Commission. The IGA provides that the Office of the City Treasurer will provide investment services to the Public Building Commission. City Treasurer Kurt Summers, Jr. advised the Audit Committee that similar shared services partnerships had been performed by the Office of the City Treasurer on behalf of the Chicago Park District, Chicago Public Schools and the City of Chicago. The Amended and Restated Investment Policy sets forth the policies and guidelines governing investments of all public funds held by the Public Building Commission and supersedes the policy guidelines previously adopted on December 8, 1998 as Resolution No. 5600. The Audit Committee approved the Amended and Restated Investment Policy and the IGA with the Office of the City Treasurer.

Finally, during Executive Session Legal Counsel advised the Audit Committee regarding the status of a proposed settlement agreement with a general contractor regarding MBE utilization at two projects. At the conclusion of the Executive Session, the Audit Committee reconvened into open session and approved the proposed settlement and recommended passage to the full board.

Thereupon the report of the Audit Committee was accepted.

The next item on the Agenda was a report by Commissioner Byron Brazier regarding the Administrative Operations (AO) Committee meeting held on April 2, 2015. Commissioner Brazier provided a summary of the AO Committee meeting, as follows:

* **Report by the Executive Director.** The Executive Director advised that bids would be opened for Contract 1565 for the Southwest Area School located at 6018 South Karlov Avenue on April 2, 2015.

* **Report by the Chief Administrative Officer.** The AO Committee was advised by the Chief Administrative Officer regarding updates to PBC's Human Resources Policies and

provided with a summary of the various policies that are being revised pending current legal review.

* **Reports by the Chief Operating Officer.** The AO Committee accepted the following reports and recommendations presented by the Chief Operating Officer:

- **Specialty Consultants – Task Orders.** Task Orders issued to Specialty Consultants for Jones College Prep Replacement (Environmental A, B and C), Lincoln ES Annex (Material Testing), and Walter Payton College Prep Annex (Material Testing).
- **CPS 2015 Window Air Conditioner Project.** Proposed contract award to Illco, Inc. as supplier of required window air conditioners for the 2015 Air Conditioner Project in an amount not to exceed \$1,400,000.00.
- **CPS 2015 Window Air Conditioner Project.** Proposed contract awards to Auburn Corporation and Jensen Window Corporation for window panels and air conditioning units for the CPS 2015 Window Air Conditioner Project in an amount not to exceed \$2,500,000.00 per contractor.

* **Reports by the Chief Development Officer.** The AO Committee accepted the following recommendations and reports by the Chief Development Officer:

- **Richard Edwards IB Fine & Performing Arts Dual Language School Annex Project.** Proposed approval of initial Guaranteed Maximum Price in an amount not to exceed \$7,639,197.00 with Berglund Construction Company for construction management at risk services for the Edwards Fine & Performing Arts Dual Language School Annex Project located at 4815 S. Karlov Avenue.
- **Amendments.** Recommendation to approve the following proposed amendments to professional services agreements: STL Architects, Inc., Edwards Elementary School Annex, \$14,490.00; Multivista Construction Documentation, Photographic Documentation Services (Program Wide), \$150,000.00; Catalyst USA, Inc., Oracle Primavera Systems Training and Consulting Services (Program Wide), One-year extension of Term of Agreement; and Carnow, Conibear & Associates, Ltd., Environmental – Renovation and Demolition Services (Program Wide), \$160,000.00.
- **Change Order.** Recommendation to approve a proposed Change Order for the Albany Park Branch Library with Wight & Company in the sum of \$101,008.94.
- **Field Order Activity Report.** The AO Committee was advised that 13 field orders were issued involving three projects.

* **Report by Legal Counsel.** During Executive Session, Legal Counsel provided a report regarding the proposed acquisition of property for the Robert Lindblom Math and Science Academy Parking Lot.

The report of the Administrative Operations (AO) Committee was accepted.

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

RESOLUTION NO. 8171

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 the Professional Services Agreements as described on the document entitled, "Proposed Professional Services Amendments Report to the Administrative Operations Committee" and attached to the minutes of this meeting at **Exhibit "A"**.

Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
Jose Maldonado, Jr., Toni Preckwinkle,
Arnold Randall, Samuel Wm. Sax,
Mariyana Spyropoulos, Bryan S. Traubert
and David J. Vitale - 10.

Commissioners voting in the negative:

None

The next item on the agenda was a report by the Executive Director regarding regular reports, development status and other matters. She advised that officials from the Public Resources Trading Department of the Hubei Providence of China toured the Chinatown Library on March 27, 2015. She also advised regarding the outreach and networking activities held by the Public Building Commission including community intake sessions for the Southeast Area Elementary School Project on March 31 and April 1, 2015 and Chicago Vocational Career Academy on April 9, 2015, and a pre-bid meeting and business networking session for the

Dunne Technology Academy Modernization Project on April 23, 2015. Following discussion and commendations, the Executive Director's reports were accepted.

The Executive Director then called upon Paul Spieles, Director of Development, to present to the Board of Commissioners for consideration of approval proposed Change Orders to contracts as summarized in the document attached to the minutes of this meeting marked **Exhibit "B"**. After discussion and consideration, and upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 8172

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 the contracts for the projects as indicated on the document entitled "Summary of Proposed Change Orders" to the Administrative Operations Committee" and attached to the minutes of this meeting as **Exhibit "B"**.

Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
Jose Maldonado, Jr., Toni Preckwinkle,
Arnold Randall, Samuel Wm. Sax,
Mariyana Spyropoulos, Bryan S. Traubert
and David J. Vitale - 10.

Commissioners voting in the negative:

None

The Board of Commissioners was next presented with a report regarding awards made to specialty consultants against term contracts awarded by the Public Building Commission. There were three (3) items included on the notice of awards for specialty consultant services since the previous board meeting. The report was accepted and a copy of this report is attached hereto as **Exhibit "C"**.

The next item on the agenda was consideration of approval of an Intergovernmental Agreement (“IGA”) between the Public Building Commission and the City of Chicago Office of the City Treasurer (“CTO”) regarding Investment Portfolio Management inclusive of the Amended and Restated Investment Policy of the Public Building Commission of Chicago. Pursuant to the IGA attached hereto as **Exhibit “D”**, the CTO will recommend asset allocation strategies, advise the PBC regarding cash flow needs and risk tolerances, prepare an investment plan to achieve the PBC’s goals, advise the PBC on current market conditions and prepare performance reports of financial activity. PBC will reimburse CTO for costs directly attributable to the services to be provided but at no time shall the payments to CTO exceed 50% of the total investment revenue generated. The IGA will be performed in accordance with PBC’s Amended and Restated Investment Policy attached hereto as **Exhibit “E”**. Upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 8173

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS that the Intergovernmental Agreement (“IGA”) between the Office of City Treasurer (“CTO”) of the City of Chicago and the Public Building Commission of Chicago regarding Investment Portfolio Management, attached hereto as **Exhibit “D”**, is hereby approved.

BE IT FURTHER RESOLVED that the Amended and Restated Investment Policy of the Public Building Commission setting forth the policies and guidelines governing investment of public funds held by the Commission, attached hereto as **Exhibit “E”**, is hereby approved.

BE IT FURTHER RESOLVED that the Public Building Commission hereby authorizes and directs the Executive Director and appropriate officials of the Public Building Commission to undertake such 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 effectuate this Resolution.

Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
Jose Maldonado, Jr., Toni Preckwinkle,

Arnold Randall, Samuel Wm. Sax,
 Mariyana Spyropoulos, Bryan S. Traubert
 and David J. Vitale - 10.

Commissioners voting in the negative:

None

Next, the Board of Commissioners was presented with consideration of approval to award Contract C1565 to K.R. Miller Contractors, Inc. for construction of the Southwest Area School New Construction Project located at 6018 South Karlov Avenue Street. Four responsive bids were received as a result of the bid solicitation from duly pre-qualified general contractors. Upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 8174

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. C1565, construction of the Southwest Area School New Construction Project located at 6018 South Karlov 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>
K.R. Miller Contractors, Inc.	\$35,987,000.00	\$34,248,262.23
Blinderman/Meccor JV	\$35,731,103.00	\$34,248,262.00
Paschen Milhouse JV II	\$35,691,000.00	\$34,218,746.00
Sollitt/Oakley Joint Venture	\$36,452,149.00	\$34,793,576.22

WHEREAS, the bid of K.R. Miller Contractors, 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, K.R. Miller Contractors, 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 Liberty Mutual Insurance 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. C1565 be awarded to K.R. Miller Contractors, Inc. and Liberty Mutual Insurance 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 hereby awards to K.R.Miller Contractors, Inc. Contract No. C1565, construction of the Southwest Area School New Construction Project, pursuant to the terms thereof for the total contract price of \$37,057,000.00 and authorizes and directs the appropriate officers of the Public Building Commission of Chicago to take such action as may be required or advisable in order to consummate the award and to execute the contract.

BE IT FURTHER RESOLVED that the Public Building Commission of Chicago does hereby approve a payment and performance bond to be supplied in the form set forth in the contract documents comprising Contract No. C1565, subject to the completion and delivery to the Commission of said form of bond by K.R. Miller Contractors, Inc. and Liberty Mutual Insurance Company, as surety, in the principal amount of \$37,057,000.00, and the Chairman is hereby authorized and directed to signify approval by the Commission of the fully executed bond.

Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
Jose Maldonado, Jr., Toni Preckwinkle,
Arnold Randall, Samuel Wm. Sax,
Mariyana Spyropoulos, Bryan S. Traubert
and David J. Vitale - 10.

Commissioners voting in the negative:

None

The Board of Commissioners was next presented with consideration of approval of a partial undertaking request from the Board of Education for the Richard Edwards IB Fine & Performing Arts Dual Language School Annex project located at 4815 South Karlov Avenue. The partial undertaking budget will provide sufficient funds for PBC to authorize its Construction Manager to award several additional Trade Subcontracts (including all subcontracts required to apply for and obtain the Building Permit) as well as engage the Architect of Record for the design of the exterior envelope and beam repair work. The scope of the work has been developed to accommodate the needs of the school. Upon motion duly made and seconded, the following resolution was approved:

RESOLUTION NO. 8175

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission hereby approves the revised project undertaking request of the Chicago Public Schools for the construction of the Richard Edwards IB Fine & Performing Arts Dual Language School Annex project located at 4815 South Karlov Avenue.

BE IT FURTHER RESOLVED that the Public Building Commission hereby authorizes and directs the Executive Director and appropriate officials of the Public Building Commission to undertake such 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 effectuate this Resolution.

Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
Jose Maldonado, Jr., Toni Preckwinkle,
Arnold Randall, Samuel Wm. Sax,
Mariyana Spyropoulos, Bryan S. Traubert
and David J. Vitale - 10.

Commissioners voting in the negative:

None

Next, the Commissioners were presented with consideration of approval of the Initial Guaranteed Maximum Price (GMP) agreement for Construction Management Services with Berglund Construction for the Richard Edwards IB Fine & Performing Arts Dual Language School Annex project located at 4815 South Karlov Avenue. Funding will enable Berglund to bid and award all trade contracts necessary to apply for and obtain required building permits before July 1, 2015, including structural steel, HVAC, electrical, plumbing, masonry, concrete and fire protection. Upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 8176

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission hereby approves the Initial Guaranteed Maximum Price (GMP) in the amount of \$7,639,197 for Construction Management Services to be performed by Berglund Construction for the Richard Edwards IB Fine & Performing Arts Dual Language School Annex project located at 4815 South Karlov Avenue.

BE IT FURTHER RESOLVED that the Executive Director and the appropriate officials of the Public Building Commission of Chicago are authorized and directed to execute, upon approval by Legal Counsel as to form and legality, such documents and to undertake such actions as may be necessary and appropriate in order to implement this Resolution.

Commissioners Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
Jose Maldonado, Jr., Toni Preckwinkle,
Arnold Randall, Samuel Wm. Sax,
Mariyana Spyropoulos, Bryan S. Traubert
and David J. Vitale - 10.

Commissioners voting in the negative:

None

The next item presented to the Board of Commissioners was consideration of approval of the appointment of Illco, Inc. as the supplier of window air conditioners necessary for the CPS 2015 Window Air Conditioner Program. It is anticipated that classrooms in 35 schools will be air conditioned with the installation of one 2-ton or 1-ton air conditioner in each classroom. PBC Staff identified two (2) potential suppliers (HD Supply and Illco Inc.) for the air conditioning units and determined that Illco, Inc. units met CPS' performance requirements for sound and warranty requirements and is less expensive than the HD units. Therefore, PBC staff requested authority to negotiate an appropriate per unit price with Illco which will meet the CPS performance requirements for sound and satisfy CPS' warranty requirements. It was recommended that Illco be appointed as the supplier of the required air conditioning units in an

amount not to exceed \$1,000,000 for the required air conditioning units. Upon motion duly made and seconded, the following Resolution was approved:

RESOLUTION NO. 8177

BE IT RESOLVED that the Board of Commissioners hereby authorizes the negotiation of an appropriate per unit price with Illco, Inc. to supply 2-ton or 1-ton air conditioning units required for the 2015 CPS AC Project in approximately 35 schools and approves the award of a contract with Illco, Inc to supply the required air conditioning units in an amount not to exceed \$1,000,000.00.

BE IT FURTHER RESOLVED that the Public Building Commission of Chicago hereby authorizes and directs the appropriate officials of the Public Building Commission of Chicago to take such action as may be required or advisable in order to effectuate this Resolution.

Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
Jose Maldonado, Jr., Toni Preckwinkle,
Arnold Randall, Samuel Wm. Sax,
Mariyana Spyropoulos, Bryan S. Traubert
and David J. Vitale - 10.

Commissioners voting in the negative:

None

The next item presented to the Board of Commissioners was consideration of approval to appoint Auburn Corporation (“Auburn”) and Jensen Window Corporation (“Jensen”) for the fabrication, delivery and installation of insulated window panels as well as the installation of new air conditioner units that are supplied by Illco, Inc., for the CPS 2015 Window Air Conditioner Program. The Commissioners were advised that Auburn and Jensen have successfully performed similar work in CPS facilities and were familiar with CPS standards for installation of air conditioner units into existing window frames. Auburn and Jensen will be responsible for fabrication and installation of panels and installation of air conditioning units in

logistically sensible fashion. It was recommended that Auburn and Jensen be awarded contracts not to exceed \$1,500,000.00 per contractor to fabricate and install the required window panels and install the air conditioning units for the 2015 CPS Window Air Conditioner Project. upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 8178

WHEREAS, the 2015 CPS Window Air Conditioner Project (“Project”) will require the fabrication, delivery and installation of insulated panels and installation of new air conditioning units into existing window frames in approximately 35 specified classrooms; and

WHEREAS, CPS has established standards for the installation of the air conditioner units into existing window frames using factory formed panels that are field measured and shop-cut to fit existing window sashed and to accommodate the air conditioner units; and

WHEREAS, Auburn Corporation (“Auburn”) and Jensen Window Corporation (“Jensen”) have been extensively used by CPS to perform the required services and are the only experienced vendors/contractors that have successfully performed the type of work required for the Program in the past for the Chicago Public Schools, were familiar with CPS standards for the work and have the specialized capability and capacity to deliver the volume of work in the required time period; and

WHEREAS, Auburn and Jensen have confirmed that each is capable of supplying and installing approximately 50 percent of the window panels required for the 2015 CPS Window Air Conditioner Project within the required condensed timeframe; and

WHEREAS, the staff of the Commission has recommended that the Board of Commissioners appoint Auburn and Jensen to fabricate and install window panels and install air conditioning units supplied by Illco, Inc. in approximately 35 schools included in the 2015 CPS Window Air Conditioner Project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby awards contracts of not to exceed \$1,500,000.00 per contractor to Auburn and Jensen to fabricate and install window panels and install

air conditioning units supplied by Illco, Inc. that are necessary to complete the 2015 CPS Window Air Conditioner Project.

BE IT FURTHER RESOLVED that the appropriate officials of the Public Building Commission of Chicago are hereby authorized and directed to take such action and to execute such documents, upon approval as to form and legality by Legal Counsel, as may be necessary and appropriate in order to effectuate this Resolution.

Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
Jose Maldonado, Jr., Toni Preckwinkle,
Arnold Randall, Samuel Wm. Sax,
Mariyana Spyropoulos, Bryan S. Traubert
and David J. Vitale - 10.

Commissioners voting in the negative:

None

Next, the Commissioners were presented with consideration of approval of a request from the Board of Education to transfer title to following property: 1437 N. California; 1540 W. 84th Street (former Cuffee School); and 6615 S. Kenwood (former Dumas Child Parent Center). The Board of Education has determined that the property is no longer required for school purposes and, pursuant to board reports approved by the Board, authorized the Commission to transfer title held by the Commission on behalf of the Board. Upon motion duly made and seconded, the following Resolution was approved:

RESOLUTION NO. 8179

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission hereby approves the request by the Board of Education, authorized pursuant to Board Report No. 15-0128-OP4 approved January 28, 2015, to transfer title to the real property located at 1437 N. California and legally described below, to Sean McKeough:

Address:

1437 N. California Avenue, Chicago, Illinois

PINS:

16-01-208-006

16-01-208-037

Legal Description:**PARCEL 1:**

LOTS 39 TO 42, BOTH INCLUSIVE, IN BLOCK 5 IN H.M. THOMPSON'S SUBDIVISION OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 1, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 7 (EXCEPT THE NORTH 16 FEET) LOTS 8 AND 9 AND LOT 10 (EXCEPT THE SOUTH 16 FEET) IN BLOCK 5 IN H.M. THOMPSON'S SUBDIVISION OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 1, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

ALL THAT PART OF THE NORTH-SOUTH 16 FOOT VACATED PUBLIC ALLEY LYING WEST OF AND ADJOINING THE WEST LINE OF LOTS 7, 8, 9 AND 10, LYING EAST OF AND ADJOINING THE EAST LINE OF LOTS 39, 40, 41 AND 42, LYING SOUTH OF AND ADJOINING A LINE 16 FEET SOUTH OF AND PARALLEL WITH NORTH LINE SAID LOT 7 PRODUCED WEST 16 FEET AND LYING NORTH OF AND ADJOINING A LINE 16 NORTH OF AND PARALLEL WITH SOUTH LINE OF SAID LOT 10 PRODUCED WEST 16 FEET, ALL IN BLOCK 5 IN H.M. THOMPSON'S SUBDIVISION OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 1, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

BE IT FURTHER RESOLVED that the Board of Commissioners hereby approves the request by the Board of Education, authorized pursuant to Board Report No. 15-0128-OP6 approved January 28, 2015, to transfer title to the real property located at 1540 W. 84th Street and legally described below, to Edward Rohn:

1540 w. 84TH Street, Chicago, Illinois

PINS:

20-32-300-019

20-32-300-020

Legal Description:

LOT 5 (EXCEPT THE NORTH 36 FEET THEREOF) AND ALL OF LOT 6 IN BLOCK 3 IN EDGEWOOD, BEING A SUBDIVISION BY HILL AND GEIGER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 32, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

BE IT FURTHER RESOLVED that the Board of Commissioners hereby approves the request by the Board of Education, authorized pursuant to Board Report No. 15-0128-OP8 approved January 28, 2015, to transfer title to the real property located at 6615 S. Kenwood (former Dumas Child Parent Center) and legally described below, to Sigma Omega Foundation:

Address:

6615 S. Kenwood Avenue, Chicago, Illinois

PIN:

20-23-224-006

Legal Description:

THAT PART OF LOT OR BLOCK 12 IN WAIT AND BOWEN'S SUBDIVISION OF THAT PART LYING WEST OF THE RAILROAD OF THE WEST HALF OF THE NORTH EAST QUARTER OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING ON THE EAST LINE OF KENWOOD AVENUE AT A POINT 131.1 FEET SOUTH OF THE INTERSECTION OF SAID EAST LINE WITH THE SOUTH LINE OF EAST MARQUETTE ROAD; THENCE SOUTH ALONG THE EAST LINE OF SAID KENWOOD AVENUE A

DISTANCE OF 182 FEET; THENCE DUE EAST TO THE WEST LINE OF THE RIGHT OF WAY OF THE ILLINOIS CENTRAL RAILROAD COMPANY; THENCE NORTHEASTERLY ALONG THE WESTERLY LINE OF SAID RAILROAD RIGHT OF WAY TO A POINT ON A LINE AT RIGHT ANGLES WITH KENWOOD AVENUE DUE EAST FROM THE POINT OF BEGINNING; THENCE DUE WEST ALONG AFORESAID LINE AT RIGHT ANGLES WITH KENWOOD AVENUE TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

BE IT FURTHER RESOLVED that the Public Building Commission hereby authorizes and directs Legal Counsel to prepare quit claim deeds of conveyance and such other documents as may be necessary in order to transfer title to such property to the City of Chicago, and the appropriate officials of the Public Building Commission are hereby authorized to execute, upon approval by Legal Counsel as to form and legality, such documents as may be necessary and appropriate in order to effectuate this Resolution.

Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
Jose Maldonado, Jr., Toni Preckwinkle,
Arnold Randall, Samuel Wm. Sax,
Mariyana Spyropoulos, Bryan S. Traubert
and David J. Vitale - 10.

Commissioners voting in the negative:

None

The next item to be considered by the Board of Commissioners was to convene an Executive Session for the purpose of discussing undertaking requests from the Office of Emergency Management and Communications for the OEMC Camera Infrastructure Program, proposed land acquisition and potential litigation under Section 2(c)8, Section 2 (c)5 and Section 2 (c) 11, respectively, of the Open Meetings Act. Upon motion duly made and seconded, the following resolution was adopted:

RESOLUTION NO. 8180

BE IT RESOLVED that an Executive Session of the Board of Commissioners is hereby convened for the purpose of consideration of approval of undertaking requests from the Office of Emergency Management and Communications (OEMC) for the OEMC Camera Infrastructure Program, proposed land acquisition and potential litigation under the Section 2(c)8, Section 2 (c) 5 and 2 (c) 11, respectively, of the Open Meetings Act.

Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
Jose Maldonado, Jr., Toni Preckwinkle,
Arnold Randall, Samuel Wm. Sax,
Mariyana Spyropoulos, Bryan S. Traubert
and David J. Vitale - 10.

Commissioners voting in the negative:

None

There being no further business to come before the Board during the Regular Meeting, the Board recessed into Executive Session. At the conclusion of the Executive Session, the meeting was reconvened and the following Resolutions were adopted:

RESOLUTION NO. 8181

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission hereby approves Project Undertaking Request No. 83 from the Office of Emergency Management (OEMC) of the City of Chicago for the OVS Security Camera/Network Maintenance Project for a revised estimated project budget of \$1,085,869.00.

BE IT FURTHER RESOLVED that the Executive Director and the appropriate officials of the Public Building Commission of Chicago are authorized and directed to execute, upon approval by Legal Counsel as to form and legality, such documents and to undertake such actions as may be necessary and appropriate in order to implement this Resolution.

Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
Jose Maldonado, Jr., Toni Preckwinkle,

Arnold Randall, Samuel Wm. Sax,
 Mariyana Spyropoulos, Bryan S. Traubert
 and David J. Vitale - 10.

Commissioners voting in the negative:

None

RESOLUTION NO. 8182

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago hereby approves the acquisition of the following parcels of real estate required in connection with the Robert Lindblom Math and Science Academy Parking Lot Project for the purchase prices set forth opposite of the location for each parcel:

<u>Location</u>	<u>Permanent Index Number</u>	<u>Purchase Price</u>
6112 S. Winchester	20-18-416-028	\$32,000.00

BE IT FURTHER RESOLVED that the Executive Director and the appropriate officials of the Public Building Commission of Chicago are authorized and directed to execute, upon approval by Legal Counsel as to form and legality, such documents and to undertake such actions as may be necessary and appropriate in order to implement this Resolution.

Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
 Jose Maldonado, Jr., Toni Preckwinkle,
 Arnold Randall, Samuel Wm. Sax,
 Mariyana Spyropoulos, Bryan S. Traubert
 and David J. Vitale - 10.

Commissioners voting in the negative:

None

RESOLUTION NO. 8183

BE IT RESOLVED that the Board of Commissioners of the Public Building Commission of Chicago hereby approves the proposed settlement agreement with F.H. Paschen, S.N. Nielsen, PBC general contractor, regarding alleged pass-through activities at two projects.

Commissioners voting in the affirmative:

Rahm Emanuel, Byron T. Brazier, Thomas J. Kotel,
Jose Maldonado, Jr., Toni Preckwinkle,
Arnold Randall, Samuel Wm. Sax,
Mariyana Spyropoulos, Bryan S. Traubert
and David J. Vitale - 10.

Commissioners voting in the negative:

None

There being no further business to come before the Board during the Regular Meeting,
the meeting was adjourned.

Secretary

APPROVED:

Amendment	Project	Consultant	Reason for the Proposed Amendment	Current Cost of Construction (including approved change orders)	Current Fee	Amount of the Proposed Amendment	Revised Agreement Included Proposed Amendments	Consultant's Fee including the Proposed Amendment Fee as a % of the Current Cost of Construction
1	Edwards Elementary School Annex	STL Architects, Inc. (PS2039-A1) Architect of Record	This amendment is for additional design services associated with the redesign of the site plan to accommodate a larger turf play area. The scope of services in this amendment were not included in the original scope of services.	\$17.1M (Current Est.)	\$1,352,900.00	\$14,490.00	\$1,367,390.00	7.90%
2	Program Wide	Multivista Construction Documentation (PS2024-A1) Photographic Documentation Services	This amendment increases the maximum compensation of the consultant's term agreement by \$150,000 for additional photographic documentation services required for the Program. The scope of services in the amendment are an extension of the services included in the original contract.	N/A	\$150,000.00	\$150,000.00	\$300,000.00	N/A
3	Program Wide	Catalyst USA, Inc. (PS2009 - A1) Oracle Primavera Systems Training and Consulting Services	This amendment exercises the option to extend the term of the agreement to January 14, 2016. The scope of services in the amendment are an extension of the services included in the original contract.	N/A	\$300,000.00	\$0.00	\$300,000.00	N/A
4	Program Wide	Carnow, Conibear, & Assoc., LTD. (PS1651B - A5) Environmental - Renovation / Demolition Services	This amendment represents an increase to the maximum compensation of the consultant's term agreement by \$160,000 for additional environmental consultant services required for the Program. The scope of services included in this amendment are the same services included in the original agreement.	N/A	\$2,800,000.00	\$160,000.00	\$2,960,000.00	N/A

PUBLIC BUILDING COMMISSION OF CHICAGO

BOARD MEETING – April 14, 2015

CHANGE ORDERS

PUBLIC BUILDING COMMISSION
SUMMARY OF PROPOSED CHANGE ORDERS
FOR PBC BOARD MEETING
April 14, 2015

A	B	C	D	E	F = (D+E)	G	H=(F+G)	I=(E+G/D)
PROJECT	CONTRACT #	CONTRACTOR	ORIGINAL CONTRACT VALUE	PREVIOUSLY APPROVED BOARD CHANGES	CURRENT CONTRACT VALUE (Including Previously Approved Changes)	PROPOSED CHANGE ORDERS	ADJUSTED CONTRACT VALUE (Including Approved Current Proposed Change Orders)	APPROVED BOARD CHANGE ORDERS % (of Original Contract)
Closeout								
Albany Park Branch Library 3401 W. Foster Project Manager: Mark McCollom	C-1550	Wight & Company	\$7,915,000.00	\$214,113.74	\$8,129,113.74	\$101,008.94	\$8,230,122.68	3.98%

PUBLIC BUILDING COMMISSION OF CHICAGO

CHANGE ORDER

Albany Park Branch Library

3401 W. Foster

April 14, 2015

Wight & Company

211 N. Clinton – Suite 300N

Chicago, IL 60661

CHNG	BULL	CONTRACT NUMBER 1550	
ORDR	NUM	ORIGINAL CONTRACT PRICE	\$7,915,000.00
NUM		APPROVED CHANGE ORDERS	\$214,113.74
ADJUSTED CONTRACT PRICE TO DATE			\$8,129,113.74
002	1550-013	Architectural, mechanical, and millwork revisions associated with design changes to the Children's reading area. Client Directed Change.	\$101,008.94

TOTAL CHANGE ADDITION	\$101,008.94
ADJUSTED CONTRACT PRICE AFTER APPROVAL	\$8,230,122.68

All interested parties are hereby notified that the Change Order listed above shall apply to Contract No. 1550 heretofore issued by the Public Building Commission.

All parties shall apply the change as indicated above.

Resolution Number _____

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

Reviewed By

Executive Director

TASK ORDERS AWARDED AGAINST TERM CONTRACTS

Public Building Commission of Chicago • Richard J. Daley Center • 50 West Washington, Room 200 • Chicago, Illinois 60602 • Tel: 312-744-3090 • Fax: 312-744-8005

TASK ORDERS AWARDED AGAINST TERM CONTRACTS					
Project No.	Project Name	Service	Type	M/WBE Firm	Total Term Commitment To-Date
Jones College Prep Replacement					
	Environmental A, B, C	C	WBE	Carnow Conibear & Associates	\$ 2,248.49 \$ 835,026.33
Lincoln ES Annex - Vertical Construction					
	Material Testing	D		Terracon Consultants, Inc.	\$ 220,339.00 \$ 727,885.55
Walter Payton College Prep Annex - Vertical Building					
	Material Testing	RMW	MBE	GSG Material Testing, Inc.	\$ 117,690.00 \$ 1,897,934.50

April 2015

Specialty Consultant	Terms/Limits Not To Exceed
Environmental - Category A, B, C	\$ 1,500,000.00
Environmental - Reno/Demo	\$ 1,000,000.00
Geotechnical	\$ 750,000.00
Material Testing	\$ 1,500,000.00
Surveying	\$ 200,000.00
Traffic Study	\$ 600,000.00
Commissioning	\$ 500,000.00

Type - Legend
R - Rotation
RMW - M/WBE Deficiency
C - Cradle to Grave (Environ)
D - Directed Source
AT - Amendment to Task Order
A - Additional Services



Richard J. Daley Center
50 W. Washington Street
Room 200
Chicago, Illinois 60602
(312) 744-3090
Fax: (312) 744-8005
www.pbcchicago.com

BOARD OF COMMISSIONERS

Chairman
RAHM EMANUEL
Mayor
City of Chicago

Treasurer
DR. BYRON T. BRAZIER
Pastor
Apostolic Church of God

MARTIN CABRERA, JR.
Chief Executive Officer
Cabrera Capital Markets, LLC

THOMAS J. KOTEL
City of Chicago

JOSÉ MALDONADO, JR.
City of Chicago

TONI PRECKWINKLE
President
Cook County Board of Commissioners

ARNOLD RANDALL
General Superintendent
Forest Preserve District of Cook County

SAMUEL Wm. SAX
Chairman
Financial Relations, Inc.

MARIYANA T. SPYROPOULOS
Commissioner
Metropolitan Water Reclamation District
of Greater Chicago

BRYAN TRAUBERT
President
Chicago Park District

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President
Chicago Board of Education

Executive Director
ERIN LAVIN CABONARGI

Secretary
LORI ANN LYPSON

Assistant Secretary
MEGHAN HARTE

Assistant Treasurer
TANYA FOUCHER-WEEKLEY

April 14, 2015

MEMBERS OF THE PUBLIC BUILDING COMMISSION OF CHICAGO BOARD OF COMMISSIONERS

RE: INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF CHICAGO OFFICE OF THE CITY TREASURER AND THE PUBLIC BUILDING COMMISSION OF CHICAGO REGARDING INVESTMENT PORTFOLIO MANAGEMENT

Honorable Chairman and Commissioners:

The Office of City Treasurer and members of the PBC Staff have recently begun discussions of a collaborative effort to provide certain services with respect to a portion of the PBC's investment portfolio.

The attached Intergovernmental Agreement outlines the services the City Treasurer will provide to the PBC, namely: (i) collaborate with PBC and recommend an asset allocation strategy in accordance with applicable law; (ii) advise on PBC policy with respect to cash flow needs and risk tolerances; (iii) prepare an investment plan to achieve the PBC's goals; (iv) advise the PBC on current market test and financial market conditions forecast; and (v) prepare performance reports of financial activity.

The City Treasurer is providing these investment advisory services to the PBC at no monetary cost. The PBC, however, will be required to reimburse the City Treasurer for costs incremental to the PBC. PBC Staff anticipates these costs to be minimal with negligible impact to the operating budget and within the anticipated revenue generated by the investments.

With respect to the PBC's audit engagement with Deloitte, the City Treasurer has committed to cooperate with the auditors.

PBC Staff recommends approval of this innovative engagement with the City Treasurer to potentially maximize return of PBC assets.

Sincerely yours,

Erin Lavin Cabonargi
Executive Director

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois; and

WHEREAS, the Public Building Commission of Chicago (the "Commission") is an Illinois municipal corporation; and

WHEREAS, the Commission has requested that the City, acting by and through its Office of the City Treasurer, provide certain services with respect to a portion of the Commission's investment portfolio, which will remain in the name of the Commission, and which services shall include assisting the Commission in executing trades of approved securities at the Commission's direction and transferring funds between investment accounts and the Commission as appropriate at the Commission's direction; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

Section 1. The recitals of this ordinance are hereby incorporated into this text as if set out herein in full.

Section 2. The City Treasurer (the "Treasurer") or a designee thereof is hereby authorized to execute, subject to the review of the Corporation Counsel as to form and legality, an agreement with the Commission in substantially the form attached hereto as Exhibit 1, and such other documents as are deemed necessary, between the City and the Commission, which agreement and other necessary documents may contain such other terms as are deemed necessary or appropriate by the Treasurer. The Treasurer and the designees thereof are authorized to execute such additional documents, information, assurances and certifications and to take such additional actions as may be necessary or required pursuant to the aforementioned agreement as contemplated therein.

Section 3. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall be controlling. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

Section 4. This ordinance shall take effect upon its passage and approval.

**INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF CHICAGO OFFICE OF THE CITY TREASURER
AND THE PUBLIC BUILDING COMMISSION OF CHICAGO
REGARDING INVESTMENT PORTFOLIO MANAGEMENT**

This Intergovernmental Agreement (the "Agreement") is made and entered into this ____ day of _____, 2015 by and between the City of Chicago (the "City"), a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, acting by and through its Office of the City Treasurer (the "Treasurer's Office"), and the Public Building Commission of Chicago (the "Commission"), an Illinois municipal corporation.

RECITALS

WHEREAS, the City is a home rule unit of local government under the 1970 constitution of the State of Illinois and has the authority to promote the health, safety and welfare of its inhabitants to furnish essential governmental services through its various departments and agencies and to enter into contractual agreements with units of local government for the purpose of achieving the aforesaid objectives.

WHEREAS on March 18, 1956, the City council of the City (the "City Council") created the PBC pursuant to the Public Building Commission Act of the State of Illinois, 50 ILCS 20/1 et. seq. (the "Act") for purposes of facilitating the funding, acquiring and construction of public buildings, improvements and facilities for use by local public agencies in the furnishing of essential governmental services.

WHEREAS, pursuant to the Public Funds Investment Act (30 ILCS 235/2.5) the Treasurer's Office is authorized to invest funds in certain authorized classes of securities.

WHEREAS Article VII Section 10 of the Constitution of the State of Illinois, as well as the Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq., authorizes and encourages units of local government to contract or otherwise associate amongst themselves to obtain or share services and to exercise, combine, or transfer any power or function.

WHEREAS the Commission and the City are units of government within the meaning of the Constitution of the State of Illinois, 1970, Article VII, Section 10, having the power and authority to enter into an intergovernmental agreement.

WHEREAS, the Commission has requested that the Treasurer's Office provide certain services with respect to a portion of the Commission's investment portfolio, which will remain in the name of the Commission, and which services shall include assisting the Commission in executing trades of approved securities at the Commission's direction and transferring funds between investment accounts and the Commission as appropriate at the Commission's direction (such services shall be referred to herein as the "Services").

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

TERMS AND CONDITIONS

ARTICLE ONE: INCORPORATION OF RECITALS

The recitals set forth above are incorporated herein by reference and made a part hereof.

ARTICLE TWO: COMPLIANCE WITH ALL LAWS

The parties shall comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as the parties' respective policies, programs and procedures, all as may be in effect from time to time, pertaining to or affecting the Services or the parties as related thereto.

ARTICLE THREE: THE SERVICES

1. General Scope of Services. The Treasurer's Office will provide the Services described below with the respect to certain of the Commission assets ("Assets") on behalf of the Commission. In carrying out the Services, the Treasurer's Office will have the following responsibilities:

- a. with the assistance of, and input from, the Commission, recommend an asset allocation strategy based on prior discussions in accordance with state and federal law, and Commission policies, cash flow needs and risk tolerances, with such strategy subject to the Commission's approval;
- b. prior to the finalization of an investment plan, provide a detailed report documenting the proposed investment plan and justifying the basis of the recommended approach to achieve the Commission's investment goals, and update such reports and make such presentations as the Commission deems necessary;
- c. recommend investments on an ongoing basis as determined by the parties;
- d. provide ongoing communications with the Commission's Treasurer and Director of Finance on market conditions, performance of investments and proactively identifying adjustments to better meet the Commission's ongoing needs;
- e. maintain accurate and detailed records of all financial transactions related to Commission accounts on an ongoing basis;
- f. prepare performance reports on no less than a monthly basis documenting whether and how the investment approach has met the Commission's goals;
- g. provide such mark-to-market or other investment valuations as the Commission shall request within twenty-four (24) hours of such request; and
- h. prepare or otherwise arrange for the execution of any recommended investments approved by the Commission (provided, however, the actual execution of any purchase, sale or other transfer of any investment shall be made by the Commission).

2. Costs. The Treasurer's Office may incur monthly costs agreed to by the Parties in advance of any expenditure for use of financial markets data and analytical software. The Commission shall pay on a pro rata basis for a subscription to Bloomberg to assist the Treasurer's Office in performing the Services. In the event other costs are incurred by the Treasurer's Office in the future that can be directly attributed to the Services, the Commission shall only be responsible for costs that are incremental to the Commission's portion of the costs. The Commission, upon execution of this Agreement, authorize the Treasurer's Office to proceed with the one-time purchase of a dedicated Bloomberg terminal whose cost shall be inclusive, without limitation, of software, hardware, and installation costs. The Commission further agrees to reimburse 20 percent of the base salary cost (exclusive of any fringe benefits) of a full-time equivalent employee of the Treasurer's Office. The Treasurer's Office shall request reimbursement or direct payment of such incremental costs from the Commission. The total costs incurred by the Treasurer's Office during performance of the Services shall not exceed 50 percent of the revenue generated and will be assessed by the Commission annually in January upon review of revenue generated.

3. Audit. The Treasurer's Office will cooperate with the Commission's auditors with respect to the Services.

4. Investment Policy. The Treasurer's Office shall follow the authorized investment policy of the Commission (the "Policy," a current copy of which is attached and incorporated herein as Exhibit A) in making any recommendations to the Commission at all times in the performance of the Services. The Commission is responsible for providing any written updates of the Policy to the Treasurer's Office.

All recommendations will be made in accordance with the Prudent Investor Rule as specified in the Policy.

5. Reporting. The Treasurer's Office shall provide investment reporting to the Commission, so long as the desired reports are feasible with current report generation systems in place at the Treasurer's Office. Subject to the foregoing, the Treasurer's Office shall provide monthly reports to the Commission which shall include the following by fund/account:

- Description of Portfolio Holdings by Asset Class
- Coupon Rate
- Rate of Return (yield)
- CUSIP #
- Total Cost
- Market Value
- Maturity date, Purchase date
- Duration
- Quality (rating)

6. Custodianship. Investments will be in the name of the Commission and held by a custodian, as designated by the Commission (the "Custodian"). The Commission will wire monies directly to the Custodian, who will be responsible for the custody and possession of the purchased

investments, the collection of interest, dividends and other income attributable to investments in the account. The Treasurer's Office shall not have custody or possession of Assets or of any other funds or securities in which the Commission has a beneficial interest nor will the Treasurer's Office be allowed to wire monies to a third party other than for the settlement of investment purchases.

7. Liquidation of Assets. The Commission reserves the right to liquidate Assets that have been wired to the Custodian. The Commission may direct the Treasurer's Office that Assets be liquidated and returned within two (2) business days or that Assets be sold on behalf of the Commission within accounts based on liquidity needs of the Commission.

8. Account Instructions and Authorized Persons. There will be funds (ACH or fedwire) transferred from the Commission to the Custodian, with directions to deposit in various funds/accounts and anticipated duration of the investments for each fund/account. The Commission from time to time will provide the Treasurer's Office with a written "Draw Down Schedule" specifying amounts of cash that the Commission will require in the account as of particular dates, and the Treasurer's Office will recommend investments having maturities corresponding to such cash requirements to the Commission.

Only those persons (the "Authorized Persons") listed on Exhibit B attached and incorporated herein, are authorized to provide instructions or directions on behalf of the Commission with respect to account assets. Exhibit B may be amended from time to time by the Commission with written notice to the Treasurer's Office.

9. Broker-Dealers and Other Qualified Institutions. The Treasurer's Office will provide to the Commission a City- approved list of broker-dealers and other institutions authorized to provide investment services and include information as to whether such broker-dealers are registered with the United States Securities and Exchange Commission (or exempt from registration) and whether such broker-dealers or authorized institutions are minority- or women-owned businesses. Information regarding the utilization of broker-dealers will be provided quarterly by the Treasurer's Office to the Commission.

ARTICLE FOUR: TERM

The Term of the Agreement shall commence on the date of its execution and shall terminate upon 60 (or less upon written agreement of the parties) calendar days written notice from one party to the other.

ARTICLE FIVE: INDEMNITY; DEFAULT AND REMEDIES

1. Indemnity. (a) The Commission agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses, (including, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with: (1) the Services (but not including the City's negligence or intentional actions); or (2) the Commission's failure to comply with any of the terms, covenants and conditions contained within this Agreement. The Commission shall not have a duty to indemnify the City for losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses to the extent such are caused by the negligence or willful misconduct of the City. (b) The City agrees to

indemnify, defend and hold the Commission harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses, (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the Commission arising from or in connection with: (1) the Services (but not including the Commission's negligence or intentional actions); or (2) the City's failure to comply with any of the terms, covenants and conditions contained within this Agreement. The City shall not have a duty to indemnify to the Commission for losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses to the extent such are caused by the negligence or willful misconduct of the Commission.

2. Default and Remedies. (a) The failure of the Commission to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Commission under this Agreement or any related agreement shall constitute an "Event of Default" by the Commission hereunder. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements. In the event the Commission shall fail to perform a covenant which the Commission is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Commission has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those defaults which are not capable of being cured within such thirty (30) day period, the Commission shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured. (b) The failure of the City to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the City under this Agreement or any related agreement shall constitute an "Event of Default" by the City hereunder. Upon the occurrence of an Event of Default, the Commission may terminate this Agreement and all related agreements. In the event the City shall fail to perform a covenant which the City is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the City has failed to cure such default within thirty (30) days of its receipt of a written notice from the Commission specifying the nature of the default; provided, however, with respect to those defaults which are not capable of being cured within such thirty (30) day period, the City shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

ARTICLE SIX: CONSENT

Whenever the consent or approval of one or both parties to this Agreement is required hereunder, such consent or approval shall not be unreasonably withheld.

ARTICLE SEVEN: NOTICE

Notice to Commission shall be addressed to:

Executive Director
Public Building Commission of Chicago
50 West Washington Street – Room 200
Chicago, Illinois 60602

with a copy to: Neal & Leroy, LLC
120 North LaSalle Street – Suite 2600
Chicago, Illinois 60602

Notice to the City shall be addressed to:

City of Chicago
Office of the City Treasurer
City Hall, Room 106
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Investments

and

City of Chicago
Department of Law
City Hall, Room 600
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Finance and Economic
Development Division

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addressed set forth above, by any of the following means: (a) personal service; (b) overnight courier; or (c) registered or certified mail, return receipt requested.

Such addresses may be changed when notice is given to the other party in the same manner as provided above. Any notice, demand or request sent pursuant to clause (a) hereof shall be deemed received upon such personal service. Any notice, demand or request sent pursuant to clause (b) shall be deemed received on the day immediately following deposit with the overnight courier and, if sent pursuant to clause (c) shall be deemed received two (2) days following deposit in the mail.

ARTICLE EIGHT: ASSIGNMENT; BINDING EFFECT

This Agreement, or any portion thereof, shall not be assigned by either party without the prior written consent of the other.

This Agreement shall inure to the benefit of and shall be binding upon the City, the Commission and their respective successors and permitted assigns. This Agreement is intended to be and is for the sole and exclusive benefit of the parties hereto and such successors and permitted assigns.

ARTICLE NINE: MODIFICATION

This Agreement may not be altered, modified or amended except by written instrument signed by all of the parties hereto.

ARTICLE TEN: COMPLIANCE WITH LAWS

The parties hereto shall comply with all federal, state and municipal laws, ordinances, rules and regulations relating to this Agreement.

ARTICLE ELEVEN: GOVERNING LAW AND SEVERABILITY

This Agreement shall be governed by the laws of the State of Illinois. If any provision of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute, ordinance, rule of law or public policy, or for any reason, such circumstance shall not have the effect of rendering any other provision or provisions contained herein invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses, or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part hereof.

ARTICLE TWELVE: COUNTERPARTS

This Agreement may be executed in two counterparts, each of which shall be deemed an original.

ARTICLE THIRTEEN: ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and cannot be modified or amended except by mutual written agreement of the parties.

ARTICLE FOURTEEN: AUTHORITY

Execution of this Agreement by the City is authorized by an ordinance adopted by the City Council on _____, 2015 and published in the Journal of Proceedings for said date at pages _ through ____ (the "Authorizing Ordinance"). Execution of this Agreement by the Commission is authorized by resolution number _____ of the Commission adopted on _____, 2015. The parties represent and warrant to each other that they have the authority to enter into this Agreement and perform their obligations hereunder.

ARTICLE FIFTEEN: HEADINGS

The headings and titles of this Agreement are for convenience only and shall not influence the construction or interpretation of this Agreement.

ARTICLE SIXTEEN: DISCLAIMER OF RELATIONSHIP

Nothing contained in this Agreement, nor shall any act of the City or the Commission be deemed or construed by any of the parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City and the Commission.

ARTICLE SEVENTEEN: CONSTRUCTION OF WORDS

The use of the singular form of any word herein shall also include the plural, and vice versa. The use of the neuter form of any word herein shall also include the masculine and feminine forms, the masculine form shall include feminine and neuter, and the feminine form shall include masculine

and neuter.

ARTICLE EIGHTEEN: NO PERSONAL LIABILITY

No member, official, employee, commissioner or agent or attorney (including attorneys engaged by the City or Commission) of the City or the Commission shall be individually or personally liable in connection with this Agreement.

ARTICLE NINETEEN: REPRESENTATIVES

Immediately upon execution of this Agreement, the following individuals will represent the parties as a primary contact in all matters under this Agreement.

For the Commission: [name, title]
Public Building Commission of Chicago
50 West Washington Street – Room 200
Chicago, Illinois 60602

Phone: _____
Email: _____

For the City: [name, title]
City Treasurer's Office
121 N LaSalle Street
City Hall Room 106
Chicago, IL 60602
Phone: (312) 742-_____
Email: _____

Each party agrees to promptly notify the other party of any change in its designated representative, which notice shall include the name, address, telephone number and email address of the representative for such party for the purpose hereof.

[Balance of this page is intentionally left blank.
The signature page immediately follows this page.]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed and delivered as of the date first above written.

CITY OF CHICAGO, ILLINOIS

By: _____
City Treasurer

PUBLIC BUILDING COMMISSION OF CHICAGO

By: _____
Executive Director

EXHIBIT A, THE POLICY
(see attached)
[NOT ATTACHED FOR PURPOSES OF ORDINANCE]

EXHIBIT B, AUTHORIZED PERSONS
(see attached)
[NOT ATTACHED FOR PURPOSES OF ORDINANCE]

Public Building Commission of Chicago

Daryl McNabb
Director of Finance
(312) 744-9273
dmcnabb@cityofchicago.org

Nikki Bravo
Chief Administrative Officer
312-644-9266
Nikki.Bravo@cityofchicago.org

Tanya Foucher-Weekley
Assistant Treasurer
(312) 744-7270
Tanya.foucher-weekley@cityofchicago.org

AMENDED AND RESTATED

INVESTMENT POLICY

OF THE

PUBLIC BUILDING COMMISSION OF CHICAGO

Revised 4-06-15 Final

Section 1. Purpose

The purpose of this document is to set forth the policies and guidelines governing investments of all public funds held by the Public Building Commission of Chicago (the "Commission") in the course of its operations and mission pursuant to the Public Building Commission Act of the State of Illinois (50 ILCS 20 et. seq.). Public funds held pursuant to resolutions authorizing the issuance of the Commission's building revenue bonds shall be known as "Trusteed Funds". All other public funds of the Commission shall be known as "Commercial Funds". "Trusteed Funds" and "Commercial Funds" together shall constitute the Commission's total portfolio ("Total Portfolio").

Section 2. Objectives

It is the policy of the Public Building Commission of Chicago to invest public funds in accordance with all applicable laws and regulations governing the investment of public funds and in a manner that will meet the following objectives:

2.1. Safety of Principal. Investments of the Commission shall be undertaken in a manner that ensures the preservation of capital in the Total Portfolio.

2.2. Liquidity. The Total Portfolio of the Commission shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

2.3. Rate of Return.

The Total Portfolio of the Commission shall be invested with the objective of attaining the highest rate of return, consistent with the Commission's investment risk constraints identified herein and with prudent investment principles and cash flow needs.

2.4. Diversification. The Commission shall diversify its investments to avoid incurring unreasonable risks associated with specific securities and/or financial institutions.

2.5. Public Trust. All participants in the investment process shall act responsibly as custodians of the public trust and shall avoid any transactions that might impair public confidence in the Commission.

2.6. Economic and Local Considerations. The Commission seeks to promote economic development in the City of Chicago. In accordance with this goal, preference shall be given to any depository institution meeting the requirements defined in this policy within the City limits whose investment rates are within .125% of the rate that could be obtained at an institution outside the City limits. In addition, the Commission shall strongly consider depository institutions that are certified MBE/WBE institutions.

Section 3. Scope.

This investment policy applies to all financial assets of the various funds maintained by the Commission, which are accounted for in the Comprehensive Annual Financial Report. Investments of various funds of the Commission may be commingled in order to maximize investment earnings when it is advantageous and prudent to do so. Investments shall be accounted for separately for each fund and investment income shall be allocated to the various funds based upon respective participation.

Section 4. Prudence.

The "prudent person" standard shall be used by all authorized persons engaged in the process of investing public funds held by the Commission. This standard provides the following description:

Investments shall be made with judgment, skill, care, and diligence, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of the capital as well as the probable income to be derived.

The above standard is established by the Commission as the standard of professional responsibility. This standard recognizes that there are circumstances beyond the control of even the most prudent investor which could affect the return obtained on investments. Investment officials acting in accordance with the policy shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from investment benchmarks are reported in a timely fashion and appropriate action is taken to control adverse developments.

Section 5. Ethics and Conflicts of Interest.

Investment officials shall refrain from personal business activity that could conflict with the proper execution and management of the investment program of the Commission, or that could impair their ability to make impartial decisions. Investment officials shall disclose any material interests in financial institutions with which they conduct business and any investment positions that could be related to the performance of the investment portfolio.

Under no circumstances shall a participant in the investment process receive any type of financial

gain, either directly or indirectly, from the investment of Commission funds. Any real or potential conflict of interest must be reported to the Executive Director and the Commission's Ethics Officer.

Section 6. Delegation of Authority.

Management of the investment program of the Commission shall be the responsibility of the Executive Director of the Commission, including the development and implementation of written procedures and guidelines for the operation of the investment program. Investments shall be made in accordance with policy guidelines established by the Commission.

Section 7. Authorized Financial Institutions and Dealers.

Section 7.1 Criteria. Depository investments shall be limited to financial institutions which meet the following criteria:

7.1.1 Banks and savings and loan associations must be insured by the Deposit Insurance Fund of the Federal Deposit Insurance Corporation ("FDIC").

7.1.2 Depository institutions must have total capitalization of at least \$10,000,000.

7.1.3 Depository institutions must have a "Satisfactory" or "Outstanding" Community Reinvestment Act rating.

7.1.4 Depository institutions must have an FDIC Capital Classification of "Well Capitalized" or "Adequately Capitalized".

Section 7.2 Policy Guidelines. Depository investments shall be limited to financial institutions which meet the following guidelines:

7.2.1 Security of Deposits. The Commission shall maintain funds in a financial institution only if that institution is federally insured or invests strictly in securities which have the full faith and credit of the U. S. Government.

7.2.2 Percentages of Deposits. The Commission shall not select as a depository any financial institution in which Commission funds on deposit comprise over 50% of the institution's capital stock or net worth. The percentage of deposits shall be verified at least once annually by a designated employee of the Commission.

7.2.3 Statement of Condition. Each institution named as a depository shall be required to file the last two annual audited financial statements of condition to the Commission for analysis and, thereafter, such statements must be provided to the Commission on an annual basis. If the information furnished is considered by the Commission to be insufficient, additional data may be requested. Refusal of any institution to provide such data upon request is sufficient cause for the withdrawal of Commission funds.

Additionally, authorized and suitable investments may be purchased from broker/dealers listed as primary dealers with the New York Federal Reserve Board and other qualified institutions authorized to provide investment services.

Section 8. Suitable and Authorized Investments.

The Commission is empowered by statute to invest in the following investments. These investment securities shall be held by a third party custodian designated by the Commission in an account in the name of the Commission.

8.1. Bonds, Notes, certificates of indebtedness, treasury bills or other securities issued or guaranteed by the full faith and credit of the United States of America as to principal and interest.

8.2. Securities issued or guaranteed by U.S. Government Agencies or Instrumentalities as defined by state statute.

8.3. Domestic interest bearing savings accounts, domestic interest bearing certificates of deposit or domestic interest bearing time deposits or any other investments that are fully insured by the Federal Deposit Insurance Corporation.

8.4. Short term obligations of U.S. Corporations (commercial paper) with assets over \$500,000,000 provided that: (1) these obligations are rated in the two highest classifications established by at least two nationally-recognized credit rating services and mature not later than 270 days from the purchase date, and (2) these purchases do not exceed 5% of the corporation's outstanding obligations.

8.5. Short term discount obligations of U.S. Government Agencies or Instrumentalities as defined by state statute.

8.6. Shares or other securities legally issued by state or federal savings and loan associations which are insured by the FDIC.

8.7. Insured dividend bearing share accounts, share certificate accounts or class of share accounts of a credit union chartered under the United States or Illinois law whose principal office is located in Illinois.

8.8. Money market mutual funds registered under the amended Investment Company Act of 1940.

8.9. Illinois Public Treasurer's Investment Pool (formerly known as "IPTIP").

8.10. Other managed commingled funds similar to IPTIP which invest in the above securities and follow the diversification guidelines in this policy.

8.11. Repurchase Agreements must meet the following criteria:

- The securities, unless registered in the name of the Commission, are purchased through banks or trust companies authorized to do business in the State of Illinois.
- A custodial bank shall be named to hold the funds. The custodial bank shall not be the seller of the securities and must be a member of the Federal Reserve System or maintain accounts with member banks.
- Trading partners shall be limited to banks or trust companies authorized to do business in the State of Illinois or to registered primary dealers.
- The Commission shall receive confirmation, in writing, of a perfected security interest in the repurchase agreement when the custodial bank receives possession of the securities, either physically or through book entry.
- The Commission shall enter into a written contract with the custodial bank outlining the basic responsibilities and liabilities of both buyer and seller.
- The custodial bank shall be liable to the Commission for any monetary loss suffered by the Commission due to the failure of the custodial bank to take and maintain possession of such securities.
- The Commission will specifically avoid any purchase of financial forward contracts or futures, any leveraged instruments, lending securities, or reverse repurchase agreements.

Section 9. Diversification.

The Commission shall diversify its investments by security type and institution to avoid incurring unreasonable risks associated with specific securities and/or financial institutions in order to minimize risk, the Commission shall adhere to the following limits:

- 1 The Commission shall at no time hold certificates of deposit from any single financial institution which constitute more than 20% of the Commission's Total Portfolio.
- 2 The Commission shall at no time hold certificates of deposit constituting more than 10% of any single financial institution's total deposits.
- 3 Commercial paper shall not exceed 30% of the Commission's Total Portfolio.
- 4 The Commission shall at no time hold more than 20% of the Total Portfolio in any single issuers name.

Section 10. Bond Resolutions.

The Commission shall comply with the provisions of the Commission's Bond Resolutions authorizing and providing for the issuance of its building revenue bonds. At all times, the Bond Resolutions shall supersede all provisions in this investment policy with respect to Trusteed Funds.

Section 11. Collateral.

The Commission will require collateral of not less than 105% of the market value of the original acquisition price, including principal and accrued interest, on all depository account balances and certificates of deposit. For repurchase agreements, only direct U.S. Treasury collateral with market value plus accrued interest equal to at least 102% of the repurchase agreement shall be maintained as collateral at all times. Repurchase agreement collateral shall be marked to market daily during the term of the agreement. Additional collateral will be required when the ratio falls below the designated level and collateral will be released if the ratio exceeds the required level.

Collateral shall be held in the Commission's name by an independent third party custodian. The Commission shall be supplied with all evidence of ownership. Substitution of collateral must be approved by the Commission.

The Commission shall accept any of the following as collateral for deposits:

- U.S. Government Securities
- Obligations of Federal Agencies
- Obligations of Federal Instrumentalities
- Obligations of the State of Illinois
- Letters of credit issued by a Federal Home Loan Bank

Section 12. Safekeeping.

All investment transactions entered into by the Commission shall be held by a third party custodian. Safekeeping shall be documented by a written agreement. This may be in the form of a safekeeping agreement, trust agreement, escrow agreement or custody agreement.

Section 13. Maturities.

To the extent possible, the Commission shall attempt to match its investments with anticipated cash flow requirements. The maximum maturity date for any investment shall be five years from date of purchase.

Section 14. Sale of Securities

The Commission may sell a security prior to maturity at such price as the Executive Director shall deem advisable including at, above or below the purchase price of the security when in the determination of the Executive Director the sale of the security is necessary to: (1) ensure sufficient funds on hand when the balance of cash in the Commission's treasury has for any reason become less than the amount necessary for immediate use; (2) enhance the overall portfolio yield; (3) minimize further erosion and loss of investment principal; or (4) minimize the Commission's exposure to market and credit risks.

Section 15. Investment Benchmark.

The Commission will use the average 3-month Treasury bill return or another appropriate benchmark in determining whether anticipated market yields are being achieved.

Section 16. Reporting and Periodic Reviews.

The Executive Director shall provide to the Audit Committee of the Board a quarterly investment report detailing all investment activity. The Commission shall establish semi-annual reviews of the investment portfolio to report on compliance in meeting the Commission's objectives of safety, liquidity, rate of return, diversification, and general performance.

Section 17. Internal Controls.

The Executive Director shall establish a system of internal controls designed to prevent losses of Commission funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by employees. The internal controls shall be reviewed annually by the Commission's Audit Committee and external auditors.

Section 18. Effective Date.

This Investment policy amends and restates the Investment Policy heretofore adopted by the Board on December 8, 1998 by Resolution No. 5600, and shall be effective immediately upon passage.

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