

Minutes of the Property Committee Meeting

The Property Committee of the McLean County Board met on Thursday, June 7, 2007 at 3:30 p.m. in Room 400, Government Center, 115 E. Washington Street, Bloomington, Illinois.

Members Present: Chairman Bostic, Members Cavallini, Moss, Ahart and Dean

Members Absent: Member Harding

Other Members

Present: None

Staff Present: Mr. John Zeunik, County Administrator; Mr. Terry Lindberg, Assistant County Administrator; Ms. Jude LaCasse, Assistant to the County Administrator

Department Heads/

Elected Officials

Present: Mr. Bill Wasson, Director, Parks and Recreation; Mr. Jack Moody, Director, Facilities Management Department

Others Present: Mr. Ed Gerns, Project Manager, Wiss, Janney, Elstner Associates, Inc.

Chairman Bostic called the meeting to order at 3:32 p.m.

Chairman Bostic presented the Minutes of the Tuesday, May 3, 2007 Property Committee Meeting and the April 17, 2007 Stand-up Committee Meeting. Hearing no objections or corrections, Chairman Bostic accepted and placed the minutes on file as submitted.

Mr. Bill Wasson, Director, Parks and Recreation, presented a request for approval of a 2-year Lease Agreement with Cross Implement for a single Tractor/Endloader and a 2-year Lease Agreement with Martin Bros. for a Single Tractor/Endloader.

Mr. Wasson stated that the Department of Parks and Recreation recently solicited lease proposals from tractor dealers for a 1 or 2-year lease, minimum 400 hours per year, a 65 PTO HP mechanical front wheel drive tractor with a minimum of 2500 lbs. lift capacity loader for one or two units. He indicated that Cross Implement Inc. and Martin Bros. Implement Co. were two of the three companies who submitted bids, and their bids were identical. Mr. Wasson advised that the Department of Parks and Recreation has a good working relationship with both vendors. Therefore, Mr. Wasson recommended the approval of a 2-year lease agreement with both Cross Implement and Martin Bros. He indicated that this will provide a consistency in pricing and insure competitiveness with these vendors.

Mr. Wasson noted that in both 2-year lease agreements, the vendors are required to replace the unit with a new unit at the end of the first year of lease.

Mr. Cavallini asked if there would be a difference between a one-year lease and a two-year lease in terms of cost. Mr. Wasson replied that it would be the same price per year either way.

Chairman Bostic asked what is done about repairs. Mr. Wasson responded that the companies will provide a loaner vehicle, pick up and return the one that needs repaired. He noted that very few repairs ever need to be made as they are new tractors.

Motion by Dean/Cavallini to recommend Approval of a 2-year Lease Agreement with Cross Implement, Inc. for a Single Tractor/ Endloader and a 2-year Lease Agreement with Martin Bros. Implement Co. for a Single Tractor/Endloader.

Motion carried.

Mr. Wasson reviewed his General Report, noting the following:

- Camping usage, through May 26th, is at near record numbers;
- Annual boat registrations are at a record number for this time of the season;
- Shelter reservations are very high;
- Camp reservations are high.

Mr. Wasson stated that, to date, there has been little impact on attendance due to the higher fuel prices. He indicated that electric camping sites are almost completely reserved for this weekend and booked for next weekend. Mr. Wasson advised that, with the completion of the electrical project, several additional electric camp sites were added.

Ms. Ahart asked for an update on the conference space. Mr. Wasson replied that an evaluation of the Beach House was completed last week with the assistance of Mr. Moody. He indicated that some work was also done on the Beach House to further develop the possibilities of using an extension off the facility as a conference space. Mr. Wasson stated that he hopes to come to the Committee in the next few months with a recommendation either to select an architect to design the work or to go with a firm that would work with him to design/build the conference center space.

Chairman Bostic asked if there were any questions or comments. Hearing none, she thanked Mr. Wasson.

Mr. Jack Moody, Director, Facilities Management, presented a request for approval of a Vanguard Energy Services Natural Gas Supply Contract for McLean County Facilities for September 2007 – August 2009. He informed the Committee that, on August 31st, the existing gas supply contract with Vanguard Energy, Naperville, Illinois, will expire. Mr. Moody stated that he contacted Vanguard regarding the savings that was achieved over the life of the current contract and to present a new contract offer.

Mr. Moody reviewed the NYMEX 12-Month strip graph, noting that the graph reflects the cost of natural gas per therm from January 2002 through July 2007. He noted that there are several factors that influence the cost of natural gas. Mr. Moody reported that, during the period of the contract with Vanguard, the County saved almost \$25,000.00 as compared to what would have been spent through Nicor.

Mr. Moody explained how the County's natural gas cost is determined, noting that the last five trading days of the month (i.e. June 25-June 30) is a weighted average as to what the cost of gas per therm is during that time and then averaged. The total of that average is the paid rate for the entire next month. He explained that Vanguard buys natural gas by bulk, which allows them to get a discount based upon the volume of gas they buy.

Mr. Moody advised that Vanguard offered to drop their monthly service fee of \$80.00 to \$0.00 for the next contract period. He indicated that Vanguard reviewed the County's usage for the past contract period and made adjustments to project for changes in usage.

Mr. Moody reviewed the graph depicting the cost per therm over the four years of the contract with Vanguard. He indicated that he expects to save at least \$25,000.00 during the next contract period as compared to what would have been spent had the gas been purchased through Nicor. Mr. Moody recommended that the Committee approve the contract with Vanguard.

Mr. Dean asked what is the "short-term fixed pricing purchases" as referred to in the letter from Vanguard. Mr. Moody replied that there is a risk involved in buying natural gas this way, so he does not recommend this type of purchase.

Mr. Moss expressed concern that, in 9 of the 12 months in 2006, the Vanguard prices were higher than Nicor. Mr. Moody replied that this was due to the fluctuations that occurred on Vanguard's purchasing of natural gas when they bought it. Mr. Moss asked how we will know if this will happen again. Mr. Moody indicated there is no way to predict. He assured the Committee that he believes that the County will continue to save money buying its natural gas through Vanguard.

Mr. Moss asked if the two-year contract can be reevaluated at the end of the first year. Mr. Moody replied that once the contract is entered into, it cannot be changed.

Mr. Moss expressed his reservations with approving the contract due to the increased gas prices in 2006. Mr. Moody responded that 2006 had a few cold months and more natural gas was used than what was originally anticipated. He explained that this over-use pushed the cost into a higher price bracket and, thus, the cost was higher.

Mr. Zeunik asked Mr. Moody if Vanguard is buying and storing gas in bulk for the County. Mr. Moody replied that Vanguard negotiates and purchases billions of therms of natural gas from the City Gate for all of their customer of which the County is one. Mr. Zeunik asked if Vanguard then stores the gas. Mr. Moody responded that Nicor stores the gas.

Motion by Dean/Cavallini to recommend Approval of a Vanguard Energy Services Natural Gas Supply Contract for McLean County Facilities for September 2007 – August 2009.

Motion carried.

Mr. Moss requested that Mr. Moody periodically review and report to the Committee the savings the County receives by using Vanguard. Mr. Moody stated that will prepare and submit a report to the Committee after the end of the first year.

Mr. Moody presented a request for approval of a Wiss, Janney, Elstner Associates, Inc. ("WJE") contract for developing Construction Bid documents and Construction Management Services for exterior repairs to the Old McLean County Courthouse (Museum of History). He stated that WJE previously prepared a report entitled "Old McLean County Courthouse-Limited Exterior Envelope Investigation," dated August 28, 2002. Mr. Moody stated that this document was used as part of the grant application proposal, which achieved a \$500,000.00 State Grant to repair the Courthouse Dome. He noted that WJE was not only the firm that prepared the report on the repair needs of the Old Courthouse, they also were the project managers, wrote all the bid specifications for the drawings and the bid manual for general contractors and worked on the project throughout its completion.

Mr. Moody introduced Mr. Ed Gerns, Project Manager, Wiss, Janney, Elstner Associates, Inc. He noted that Mr. Gerns was the Project Manager for the Courthouse Dome repair project.

Mr. Moody outlined the repairs in three phases of work and prioritized the repairs according to the level of existing distress, urgency for repair and reasonable construction. He summarized the remaining repair work on the Old McLean County Courthouse, based on a two-year construction schedule, as follows:

Year One:

- Site and entrance stair;
- Limestone facade repairs;
- Windows;
- Marble Stairs and handrails.

Year Two:

- Balustrade;
- South and east facade masonry repairs;
- Main roof;
- Windows and doors;
- East and west entrance vestibules.

Mr. Moody reported that WJE will perform the following services to complete the exterior restoration of the Old McLean County Courthouse:

1. **Update Inspection and Investigation.** Since WJE's previous investigation was completed more than five years ago, a follow up inspection and limited investigation should be performed to assess the current condition of the façade. This would include a close up inspection of the main walls of the building as well as potentially limited materials testing and inspection openings.
2. **Construction Documents.** Prepare Contract Documents, including construction drawings, technical specification, general conditions for the construction contract, and bidding forms for the scope of repair work outlined above. During the preparation of the construction documents, WJE will attend up to three meetings with McLean County and McLean County Museum of History personnel in Bloomington.
3. **Cost Estimating Services.** WJE will engage the services of a cost estimating consultant to assist in preparing revised opinions of probably construction cost. This service will be performed when the construction documents are at the 90% complete state to allow changes prior to bidding.

4. **Bidding and Contract Award.** Assist McLean County during bidding by answering questions from contractors and other bidders and preparing addenda, if required. WJE will attend a pre-bid meeting prior to the receipt of bids to walk through the project site. Assist McLean County by reviewing bid proposal and make recommendations for the award of the contract.
5. **Construction Administration.** Assist McLean County with the following services:
 - a. Participate in a pre-construction meeting.
 - b. Review submittals for conformance with the Contract Documents.
 - c. Attend monthly construction meetings.
 - d. Make periodic site visits to review compliance with the Contract Documents. For purposes of this proposal, a five-month construction period, with four one-day visits monthly, are assumed.
 - e. Review applications for payment from the contractor.
 - f. Perform a punch list inspection at substantial completion.

Mr. Moody reviewed the Fee Proposal from WJE, as follows:

- Items 1 through 3 (construction document preparation) – propose a not to exceed contract amount of \$52,000.00 in fees plus not to exceed contract amount of \$8,000.00 in expenses.
- Items 4 and 5 (bidding and construction administration services) – propose a not to exceed contract amount of \$72,000.00 in fees plus not to exceed contract amount of \$8,000.00 in expenses for 2008 and \$42,000.00 in fees plus not to exceed contract amount of \$8,000.00 in expenses for 2009.
- Estimated design and construction observation fees have been listed for each construction year for budgetary purposes. The cost figures stated do not include any administrative costs to either McLean County or the McLean County Museum of History. Professional fees to perform a brief reevaluation of the current condition of the building are also included.

Mr. Gerns presented an explanation on the two work phases. He explained that the first phase is what is deemed as “life-safety” in terms of critical component issues that need to be addressed. The second phase is more maintenance and pure renovation that is necessary to make sure the building continues to function and does not develop potential problems in the future. Mr. Gerns advised that the amount of work that needs to be done does not lend itself to all being completed in one year. For this reason, it was divided into two manageable phases.

Mr. Moody indicated that the next step would be to contract with WJE to begin the developmental work for bid specifications.

Mr. Cavallini asked if there was any chance to get a grant for some of the renovation expenses, such as the last grant. Mr. Moody responded that the Illinois Public Museum Grant that was received for the Dome project is no longer available. He advised that other grant opportunities will be researched, but it is unlikely that another grant will be found.

Motion by Moss/Ahart to recommend Approval of Wiss, Janney, Elstner Associates, Inc. Contract for Developing Construction Bid Documents and Construction Management Services for Exterior Repairs to the Old McLean County Courthouse (Museum of History).

Motion carried.

Mr. Moody reviewed the status report on the multiple-phase renovation of the Law and Justice Center. He advised that currently the renovation is a little over 50% completed. Mr. Moody noted the following:

- The main roof has been replaced;
- The 7th Floor has been completed and has full occupancy by the Court Services Department;
- The 6th Floor:
 - Phase 1 will be completed in the next couple of weeks
 - The Public Defender's Office will move to the north side of the building where the space has been remodeled for that office;
 - Currently the 6th Floor is occupied by the Public Defender's Office and the State's Attorneys Office;
 - Renovation is called "occupied renovation;"
 - Two weeks behind schedule;
 - There are four phases all together;
 - Projected completion of the 6th floor is August or September.
- 1st Floor
 - On schedule for 1st floor Sheriff's Department;
 - Three total phases
 - East Side Phase is expected to be completed by August 17.
 - When completed, will move Sheriff's administration, etc. from the west side to the east side.
 - Begin renovation of the current Sheriff's Department:
 - New site for inmate dormitories
 - Jail booking

- Misc. Projects:
 - Take out vault and counter for Circuit Clerk;
 - Children's Foundation Room Day Care.

- Parking Lot
 - The three phase, 11-week project will begin in July.
 - Phase 1 is the north end by the Health Department building.
 - Phase 2 is the center section.
 - Phase 3 is the south end by the Sheriff's Department and Coroner's Office.
 - Steps will be removed and replaced coming down from the parking deck.
 - Completion is scheduled for November.

Mr. Cavallini requested an update on the insurance settlements associated with the explosion at the Law and Justice. Mr. Moody replied that a meeting will be held with the attorneys in July to finish the negotiations on completing the cycle of payments on this project.

Mr. Zeunik explained that there are two phases to this settlement. The first priority is to settle with the insurance companies. The Hartford Insurance Company, who covered all of the fixtures and property, is close to being resolved and settled. Mr. Zeunik indicated that Westfield Insurance Company is the insurance company for the Public Building Commission that covered the structure. He stated that this is the area that is trying to be resolved at this time.

Mr. Zeunik advised that after completion of negotiation agreements with the insurance companies and a settlement agreement is brought back to the County Board for approval, there is still going to be a large amount of unreimbursed expenses that the County incurred. He stated that the reason to try to settle with the insurance companies is to get everyone to agree on what are the unreimbursed expenses. In the litigation against Ameren IP, the insurance companies will be seeking reimbursement of all of their costs and monies paid to the County, and the County will be seeking reimbursement of the unreimbursed expenses. Mr. Zeunik cautioned that we are a long way from having this completely resolved.

Mr. Zeunik indicated that Westfield has now agreed that it is in their best interests to come to an agreement and settle that portion of the claim for which they are responsible. The main disagreement with Westfield has to do with labor costs, and material and shipping costs.

Mr. Zeunik reminded the Committee that the County's goal following the explosion was getting back into the building as soon as possible as it is a public building. This created problems for the contractors because they did not have an empty building in which to work. Rather, they had to work around County offices and Departments, County schedules, etc. Mr. Zeunik stated that some of the extraordinary costs perceived by the insurance estimator were due to the unique nature of trying to conduct business around the construction and repairs. He advised that the attorneys are hoping that this issue will be resolved and the insurance companies will not challenge the expenses.

Chairman Bostic asked if there were any further questions. There were none.

Mr. John Zeunik, County Administrator, presented a request for approval of an Emergency Appropriation Ordinance Amending the McLean County Fiscal Year 2007 Combined Annual Appropriation and Budget Ordinance – Old County Courthouse Renovation Project. He explained that this is the budget amendment to fund the first phase of the work at the Old County Courthouse. Mr. Zeunik reminded the Committee that this was presented last month to the Committee as an informational item along with a suggested calendar and proposes funding to continue the project after this phase is completed.

Mr. Zeunik advised that next year will be the 20th anniversary of the Lease Agreement between the County and the McLean County Historical Society for occupancy in the Old Courthouse. The County Board originally approved the Lease Agreement in August 1988. He noted that the language in that Agreement places the responsibility on the County for all of the capital expenditures related to the building. Mr. Zeunik stated that the County Board's Budget Policy provides an opportunity, when the fund balance in the County's General Fund exceeds a certain minimum threshold, to use those monies for one-time capital expenses. This project has been one that has been a priority for this Committee for a number of years and continues to be a priority.

Mr. Zeunik recommended that the Committee approve the Emergency Appropriation Ordinance amending the Fiscal Year 2007 Combined Annual Appropriation and Budget Ordinance as proposed.

Motion by Ahart/Moss to recommend Approval of an
Emergency Appropriation Ordinance Amending the McLean
County Fiscal Year 2007 Combined Annual Appropriation
and Budget Ordinance – Old County Courthouse Renovation
Project.

Motion carried.

Property Committee Minutes
June 7, 2007
Page Ten

Chairman Bostic presented the May 31, 2007 Property Committee bills, which have been reviewed and recommended for transmittal to the Property Committee by the County Auditor. The Property Committee Fund total is \$435,794.58 and the prepaid total is the same.

Motion by Cavallini/Ahart to recommend approval of the bills as of May 31, 2007, which have been reviewed and recommend for transmittal by the County Auditor.
Motion carried.

Chairman Bostic asked if there was any other business or communication for the Property Committee. Hearing none, Chairman Bostic adjourned the meeting at 4:20 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary